

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, APRIL 18, 1929



SAFETY IN NUMBERS!

Fortunate is the local insurance agent who spreads his coverages over a large number of lines! If the agent confines them to only one or two lines, he may find himself at the point of serious disadvantage in income if a large business depression falls swiftly upon those contingencies he has covered.

In these days of intense competition in the insurance business, the wise agent chooses a company with care and selects one that is alert to give unusual service in selling the various kinds of insurance.

For him and all the others like him, we publish THE ACCELERATOR—each issue filled with clear explanations of our various coverages, with special selling suggestions for each, including also window displays, newspaper advertising and direct-by-mail advertising. Let us send you specimen copies.

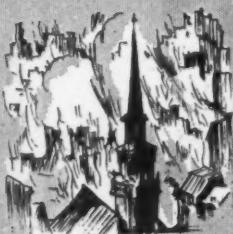
BOSTON INSURANCE COMPANY
OLD COLONY INSURANCE COMPANY
87 Kilby Street, Boston, Massachusetts



SAVANNAH, GA.
June 10, 1820.
Property loss \$5,000,000.



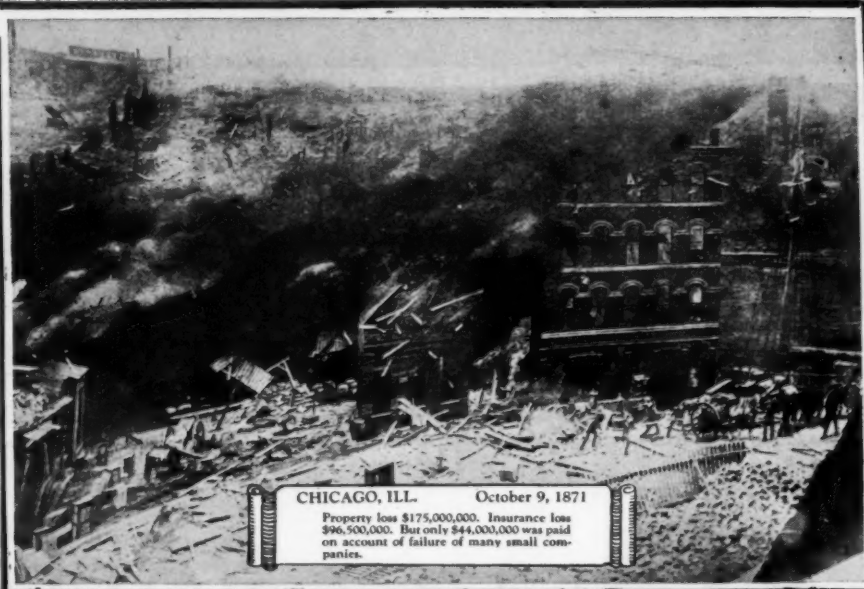
PORTLAND, ME.
July 4, 1866
Property loss \$10,000,000. A Fire Cracker the cause of it all.



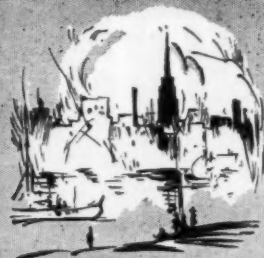
BOSTON, MASS.
November 9, 1872
Property loss \$75,000,000. Insurance loss \$60,000,000, of which only \$36,000,000 was paid, as fire insurance companies had then no conflagration funds and many which survived the Chicago disaster were forced into bankruptcy in Boston.



JACKSONVILLE, FLA.
May 3, 1901
Property loss \$10,000,000.



CHICAGO, ILL. October 9, 1871
Property loss \$175,000,000. Insurance loss \$96,500,000. But only \$44,000,000 was paid on account of failure of many small companies.



NEW YORK CITY, N. Y.
December 6, 1835
Property loss \$20,000,000. 674 buildings—60 acres.



BALTIMORE, MD.
February 7, 8, 1904
Property loss \$50,000,000. Many so-called fireproof buildings in the business district were destroyed.



CHELSEA, MASS.
April 12, 1908
Property loss \$10,000,000.



BERKELEY, CALIF.
September 17, 1923
Property loss \$10,000,000.

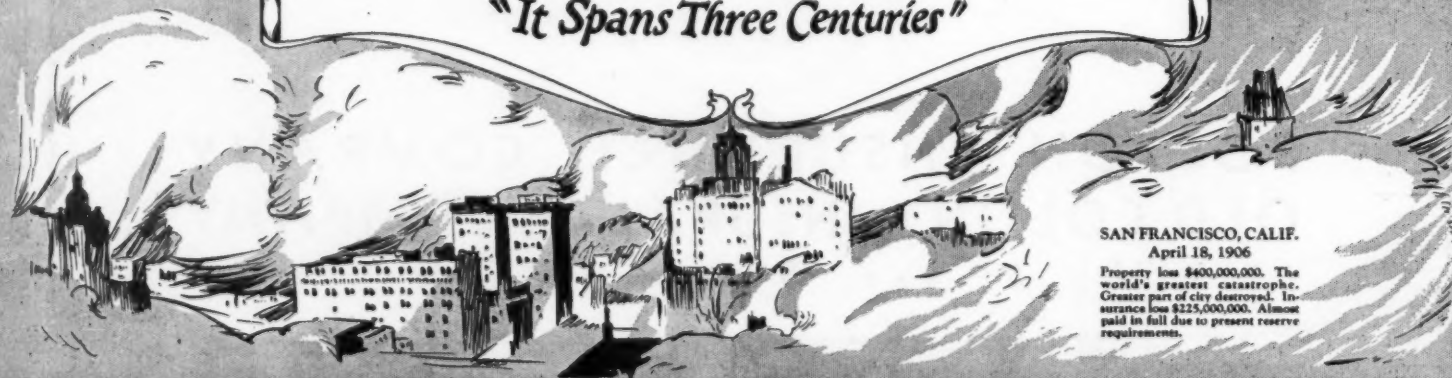
Tested by Every Major American Conflagration and Never Found Wanting

Since its organization in 1799 the Providence Washington has never faltered in the honorable discharge of its contracts. It has come through every major American conflagration with a spotless record. It has always met its obligations promptly and satisfactorily.

The "P-W" has a reputation for dependability. It is the sort of a company that an agent can tie to without any hesitation. Its record in the past is the surest guarantee of what it is going to do in the future.

**PROVIDENCE WASHINGTON
INSURANCE COMPANY**
PROVIDENCE, RHODE ISLAND

"It Spans Three Centuries"



SAN FRANCISCO, CALIF.
April 18, 1906
Property loss \$400,000,000. The world's greatest catastrophe. Greater part of city destroyed. Insurance loss \$225,000,000. Almost paid in full due to present reserve requirements.

Automobile Policies and Good Will

AUTOMOBILE insurance gives the insurance company greater opportunities, perhaps, to win public good will than any other form of cover. The attitude of the company toward its agents and policyholders is magnified to some degree in connection with automobile policies. The Insurance Company of North

America looks upon every automobile claim as an opportunity to further its 137-year reputation for fair dealing. North America agents profit by this attitude on the part of their company, because satisfied policyholders generally take pains to tell their friends about the company and about the agents representing it.

THIS Company constantly is developing new ideas and new material to help agents increase their income from automobile policies. It may be that North America support will make it easier for you to (1) create new automobile business, (2) sell a greater number of collision policies, and (3) sell higher limits on public liability and property damage.

We shall be glad to describe North America sales support to you in detail if you are interested.

Insurance Company of North America

PHILADELPHIA

*The Oldest American Fire and Marine Insurance Company
Founded 1792*





Do you dare take the responsibility of not making this clear to your prospect?

An appeal to a man's good commonsense thrift and *peace of mind*—is this all Universal Complete Protection Policy.

**FIRE—THEFT—COLLISION—PLATE GLASS
PUBLIC LIABILITY—PROPERTY DAMAGE
TORNADO AND HAIL**

You know what that means. Present it to your prospect. The policy will sell itself to him.

Write or wire us today for information.



The National Underwriter

Thirty-Third Year No. 16

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, APRIL 18, 1929

\$4.00 Per Year, 20 Cents a Copy

WILFRED KURTH NOW HEAD OF HOME GROUP

Charles L. Tyner Has Been
Chosen as Chairman of the
Board

LUDLUM SOON TO RETIRE

Official Family of This Organization Is
One of the Strongest in
the Country

NEW YORK, April 17.—Verification of the rumor current for the past two weeks that important changes in the executive staff of the Home was made when directors of the Home and City of New York, at a special meeting, accepted the resignation of Charles L. Tyner as president of both companies, and elected in his stead Wilfred Kurth, a former vice-president. Mr. Tyner was unanimously chosen to the newly created office of chairman of the board of the two corporations, becoming at the same time permanent chairman of the finance committees of both enterprises.

By virtue of an amendment to the by-laws of each of the companies adopted by the directors, the chairman of the board is vested with all the authority and will assume the duties of the president in the event of the absence from office of the latter. The president is in turn to act for the board chairman under like circumstances.

Ludlum to Stay Temporarily

Clarence A. Ludlum, who for over a year past has been planning to retire from the vice-presidency of the Home and of the City of New York, and who submitted his resignation several weeks ago, was prevailed upon to continue his post until the end of the present year. He will remain upon the directorate of both corporations, thereby insuring the benefit to the board members of his ripened underwriting and executive experience.

Mr. Tyner's Career

Mr. Tyner assumed the presidency of the Home in December, 1925, after years of service, having meantime passed through the various grades of unofficial and official position. While at one time in the underwriting division he was later transferred to the financial department, and for long has specialized thereupon. Today he is conceded to be one of the best financial authorities in the fire insurance field.

Kurth a Strong Factor

Mr. Kurth, who by the way is in Texas at this time, and was notified by wire of the honor now conferred upon him, is one of the youngest men to attain first rank in fire underwriting circles. He has traveled fast and far since he entered the business in Hartford as a junior clerk for the Scottish Union & National. In his association with the

(CONTINUED ON PAGE 10)

WEST VIRGINIA TROUBLE AGAIN TAKEN TO COURT

COMPANIES ASK INJUNCTION

Federal Judge to Hear Case Brought by
Uniformity Association Against
Commissioner on April 27

CHARLESTON, W. VA., April 17.—Judge George W. McClintic in the United States district court in Charleston will hear arguments April 27 on an application for an injunction filed by attorneys for the West Virginia Uniformity Association to restrain Edgar C. Lawson, state auditor and ex-officio insurance commissioner, from interfering with the execution of contracts between member companies of the Uniformity Association and their respective agents. The attorneys filed an application for a temporary injunction April 13 after a conference with the state official, but Judge McClintic refused to grant this, stating that as no notice of this action had been given to the state auditor he preferred to set a time when both sides might be heard. The action comes up on petition of the Aetna Fire and some 135 other companies.

State May Again Take Action

So the long drawn out conflict between the agents and these companies is once more brought into court. Should the injunction be granted, the matter will be fought through the United States courts, but in the event of the failure of this case here in the district court, it will be taken into the state courts by the state attorney general. Mr. Lawson closed the conference last Saturday by announcing that he would ask for a revival of the former injunction granted by the circuit court last year.

W. Ross McCain of the Aetna came to Charleston and with his attorneys talked over the matters in controversy between the companies and their agents before Auditor Lawson. There were also present President Kincaid and Secretary Irving Thornburg representing the West Virginia Association of Insurance Agents, with their attorney.

Lawson States His Position

After both sides had expressed freely their views, interchange of questions and answers showing at times considerable heat, Mr. Lawson is reported to have concluded by saying in substance that as between the several companies and their agents and their quarrels he would have nothing to say, but because of the state insurance laws, he had a duty to perform in protecting the rights of all companies admitted to do business in the state, whether they were members of an organization of companies or not, and so he intended to go into the state courts and have a decision upon the question of the contracts as proposed by the companies.

Commissioner Edgar C. Lawson has publicly declared that the application of attorneys for the Uniformity Association for an injunction "was another evidence of bad faith on the part of the companies in the West Virginia Uniformity Association."

"Several conferences have been held

FIREMENS LICENSED IN NEW YORK STATE

CONTROVERSY NOW ENDED

State Department Finds, in Spite of Its
Insurance Stock Holdings, Sur-
plus Is Ample

NEW YORK, April 17.—With the decision of Superintendent Albert Conway to issue renewal license to the Firemen's of Newark and its affiliated fire companies for the new fiscal year the controversy between the parent organization and the New York department, which has been to the fore for the past 12 months or more, is brought to a happy termination. The statement issued by Mr. Conway announcing his intended action as of May 1, the renewal period for all fire company licenses in the Empire state, follows:

Statement by Conway

"A summary of the financial condition of the Firemen's of Newark, as of April 6, 1929, on which date the affiliation with the Milwaukee Mechanics was consummated, would be approximately as follows, using the Dec. 31, 1928, annual statement figures of the company plus the changes effected by the Milwaukee Mechanics transaction: Capital, \$16,000,000; insurance stocks owned: fire, \$18,930,074; casualty, \$5,701,730; surplus excluding insurance stocks owned, \$3,055,292.

Has Ample Surplus

"By applying the New York department's rule of allowing credit for insurance company stocks owned only to the extent of 50 percent of the surplus, the company would have a capital of \$16,000,000 and a surplus of \$6,110,585. Even if no credit whatsoever were given for the insurance stocks owned, the company would have \$16,000,000 of capital and more than \$3,000,000 of surplus available for the protection of its policyholders. At the time the litigation between the company and the department was instituted the company had more than its entire surplus invested in insurance company stocks." Outside the state of New York, where the ruling of the New York insurance department, made by former Superintendent Beha, does not apply, and where generally accepted financial standards govern, the Firemen's has: Capital, \$16,000,000; net surplus, \$27,787,096, and surplus to policyholders, \$43,787,096.

recently," he said, "with the hope that the association companies and agents could settle their differences and thereby relieve the insurance department of the necessity of taking action. At the conference March 29 their attorneys asked for two weeks' time to see if the matter could not be amicably adjusted, with the expressed understanding that the time would not be used in any manner or purpose other than effecting a compromise. This time was used by the West Virginia Uniformity Association and counsel in drafting a bill in chancery."

Mr. Lawson states that he will further amplify his views and opinions of this act of "bad faith."

AGENTS AGITATED ON AUTOMOBILE TRENDS

Casualty Companies Make Sudden
Shift on Merit Rating
Plan

PERTURBATION IS SEEN

Outside Competition Becomes Stronger
Which Causes Bureau Offices
to Chafe at the Bit

NEW YORK, April 17.—Local agents all over the country have been in a state of considerable confusion regarding automobile insurance in every form in which it is written. Probably the greatest bewilderment existed following the announcement by the Indemnity Company of North America and the Alliance Casualty that they had put into effect a merit rating plan. In the National Bureau of Casualty & Surety Underwriters the subject of experience or a merit rating system had been up for discussion a number of times. A big majority of company officials felt that it was not feasible and no scheme could be devised that would be acceptable and not subject to grave abuses.

Took Bull by the Horns

These officials took the ground that a merit rating system practically meant a reduction in rates for almost everybody as even a man who is not entitled to merit rating could probably get under the line through some subterfuge. Vice-President and General Manager C. F. Frizzell of the Indemnity Company of North America has been a very consistent and ardent advocate of this plan. When he saw that nothing was being accomplished he withdrew from the National Bureau and later announced a merit rating system.

Took Companies by Surprise

When the Indemnity Company of North America promulgated its plan there was a sharp skirmishing for position. The bureau companies undoubtedly were taken by surprise by this move. They had hardly recovered from the shock the Travelers gave the fraternity when it announced it would put forth a deferred payment plan. Vice-President Frizzell declared that the merit rating plan was correct and progressive. It was meeting a public demand.

Last week there was the utmost confusion in all directions. Some companies began to announce a 10 percent reduction in rates for all comers. Others instructed their agents to hold their business on equal terms. Every company was waiting to see what the other one would do. The New York department took the matter in hand because the outlook was decidedly warlike.

The National Bureau of Casualty & Surety Underwriters announced its

(CONTINUED ON PAGE 19)

McCULLOUGH PROMOTED BY HAMPTON ROADS

COMPANY IS STRENGTHENED

Western Supervisor of the Company Is Made Vice-President and General Manager

President E. J. Robertson of the Hampton Roads Fire & Marine of Norfolk, Va., announces that W. E. McCullough of Chicago, who has been western manager, has been made vice-president and general manager. Mr. McCullough also becomes a member of the board. For the time being at least he will divide his time between Chicago and Norfolk as the western department produced about 80 percent of the premiums last year.

The Hampton Roads has added \$50,000 to capital and \$50,000 to surplus, the new shares of stock being absorbed by the present stockholders. This \$100,000 has been added to the company since the Dec. 31 statement. The capital which was reduced Feb. 11 has been



W. E. McCULLOUGH
Vice-President and General Manager
Hampton Roads F. & M.

increased to the original amount of \$250,000 as of Dec. 31.

Robertson Becomes President

Mr. Robertson, who has been vice-president, succeeds Henry G. Barbee as president. A number of economies have been introduced. There has been a complete reorganization of the board. The directors are strong business men and are taking considerable interest in the company. President Robertson states that it is his purpose to give sufficient time and attention to the finances so that the earning power of the company will be increased. Last year the company wrote \$450,000 in gross premiums and \$254,251 net. Its loss ratio was 46 percent.

Mr. McCullough has had a long experience in office and field. He was at one time western manager of the Queen and later was manager of the Chicago department of the General of Seattle.

Western Bureau Meeting

The officers and executive committee of the Western Insurance Bureau are preparing for an interesting meeting at the Jefferson hotel, Richmond, Va., May 8-10. Ralph Rawlings of the Boston and Old Colony is president. A number of members will take their wives this year and it will become something of a social occasion. Aside from the bureau proper there will be meetings of the Western Sprinklered Risk Association, the Underwriters Adjusting Company and the reinsurance bureau.

TO DISCUSS FIRE AND ACCIDENT PREVENTION

TOPICS BEFORE U. S. C. OF C.

Health Conservation, Compulsory Automobile Liability and Automobile Thefts Also to Be Up for Review

WASHINGTON, April 17.—Fire prevention, public health and accident prevention campaigns and other activities looking toward the conservation of life and property will be taken up at a round-table conference at the annual meeting of the Chamber of Commerce of the United States in Washington, April 29-May 3.

The conference will concern itself chiefly with the part business men can take in national and local activity to reduce the needless waste of life and property that occurs annually in the United States. Emphasis will be placed on the effectiveness of cooperative action.

Fire Prevention Topics

In discussing fire prevention experience of chambers of commerce, the conference will take up such questions as: How can local business cooperate with its municipal government in providing better fire protection service?

How should a successful local fire prevention program be organized and conducted?

Is there an opportunity for trade associations in reducing fire waste?

Questions relating to community and business public health campaigns will naturally enter into the discussion. These questions will be:

Should government bear all the responsibility for public health improvements?

What can business do cooperatively to reduce disease and increase longevity?

How can specific preventable diseases be combated successfully?

The conference will discuss various aspects of street and highway accident prevention. Under this heading will be considered these questions:

How important a factor is human na-

CORROON & REYNOLDS GET INDEPENDENCE FIRE

HOLLAND REMAINS PRESIDENT

Morrison, Inglis and Everett on Official Staff—Elect New Directors to Board

PHILADELPHIA, April 17.—Corroon & Reynolds were appointed managers of the Independence Fire at the annual meeting of the directors of the company today. Announcement issued declared that the association with the Corroon & Reynolds group will be of material help to the company in expanding its operations and will enable it to increase its facilities to its agents.

Charles H. Holland was reelected president and James Morrison, secretary-treasurer. Edward S. Inglis and Walter H. Everett were elected vice-presidents.

The following new directors were elected: F. Eugene Newbold, Henry I. Brown, Nathan A. Weed, Charles S. Wesley, Nicholas G. Roosevelt, W. Wallace Lyon, Wilbur L. Ball, George E. Roosevelt, Robert Van Iderstine, Walter C. Neely and Richard A. Corroon.

The following directors were reelected: Warren Bicknell, George W. Childs, Agnew T. Dice, Rollin P. Grant, R. A. Mansfield Hobbs, Charles H. Holland, C. Stevenson Newhall, Joseph Wayne, Jr., and James M. Willcox.

ture in street and highway accidents?

Will uniform state and local legislation assist in reducing accidents?

How can educational measures be made most effective?

How can uniform automobile accident statistics be best compiled?

Another topic will be compulsory automobile insurance. In this connection the conference will consider:

What have been the results of the Massachusetts experiments?

Is compulsory automobile insurance a

(CONTINUED ON PAGE 6)

QUAID GOES WITH THE NEW SOUTHERN FIRE

TO HAVE EXECUTIVE CHARGE

Well Known Vice-President of the America Fore Companies Has Had Interesting Career

NEW YORK, April 17.—William Quaid will on May 1 retire as vice-president of the America Fore companies to assume the executive vice-presidency and a directorship of the recently formed Southern Fire of New York, and will also become a vice-president and a director of the allied corporation, the Southern Surety, of which Norman R. Moray is president. It is the announced purpose of the management of the Southern Fire to acquire other fire companies later on, thereby establishing an important group and permitting of operations upon a large scale. The Southern Fire has a capital of \$1,000,000 and a net surplus of \$2,000,000. Its financial sponsors control large resources and there is no question as to their ability and willingness to furnish whatever money may be called for to develop an expansive business-getting program.

Quaid Is Well Known

By virtue of his extended experience in fire underwriting and his official connection with the important America Fore group, Mr. Quaid is widely and most favorably known to the fraternity. A native of Newburgh, N. Y., where his forbears were leading merchants over a century ago, Mr. Quaid's career thus far has been a varied and colorful one. When he had just attained his majority he was the Democratic nominee for a New York state senatorship. Soon thereafter he enrolled with the Rough Riders during the Spanish-American war and was slightly wounded in the charge up San Juan hill.

Started in Dry Goods Business

His first business experience was as a salesman for the prominent New York wholesale drygoods house of H. B. Claflin & Co., and was followed by ten years' connection with several agency firms of this city, later getting field training as a special agent for the Delaware of Dover. His association with the Continental began in 1908 with his appointment as examiner. Successively he was advanced to an executive special agency in the eastern territory, assistant secretary, secretary, and vice-president. Upon the rearrangement of the official staff of the America Fore group in 1925 he was elected a vice-president of each of the constituent companies, so continuing until the present time.

Mr. Quaid is an interesting public speaker and in recent years has been on the program for many of the agents' gatherings in various parts of the country.

Has Made Valuable Contracts

Mr. Quaid has had an intimate contact with the National Association of Dry Goods Dealers. He has attended many of its conventions and his counsel is often sought along insurance lines by its leaders. Mr. Quaid has been the production man in the America Fore group and established many influential contacts for its companies. He is a believer in popularizing insurance and keeping it in touch with other lines of business.

Man of Rich Experience

Mr. Quaid is a man of rich experience. In going on some of his vacations he has adopted a novel procedure giving him an insight into occupations and activities that come to but few.

The Southern Surety has strong financial backing in the brokerage house of Kidder, Peabody & Co. of New York City and Caldwell & Co. of Nashville, who also control the Missouri State Life of St. Louis and the Inter-Southern Life of Louisville.

CONDENSED NEWS OF THE WEEK

Charles L. Tyner becomes chairman of the board of the Home of New York and Wilfred Kurth is made president. **Page 3**

Controversy between West Virginia Uniformity Association and agents of that state has been taken into court. **Page 3**

The New York Insurance department after a year's controversy with the Firemen's of Newark concerning its license announces that it will issue a license to the company May 1. **Page 3**

Automobile insurance situation is confusing to local agents. **Page 3**

William Quaid becomes executive vice-president of Southern Fire. **Page 4**

Insurance companies meet defeat in the Missouri rate case. **Page 5**

W. E. McCullough, manager of the western office of the Hampton Roads Fire & Marine, has been elected vice-president and general manager. **Page 4**

Independence Fire is added to the Corroon & Reynolds group. **Page 4**

D. J. O'Keefe of Fort Wayne addresses quarterly meeting of the Indianapolis Fire Insurance Agents Association. **Page 6**

Western Union tightened rules on violations at its semi-annual meeting. **Page 5**

Hanover to increase its capital by \$4,000,000. **Page 15**

Harvey W. Russ, general adjuster of the National Board, died last week. **Page 24**

Personal accident statistics of the Travelers for last year are analyzed. **Page 45**

Announcement of new merit rating endorsement plan acceptable to companies writing automobile insurance has been approved by the New York department. **Page 43**

American Union Insurance Company, which will write accident and health insurance, is launched at Des Moines by W. W. Powell, now vice-president and head of the accident and health department of the Federal Surety. **Page 44**

New Hampshire commissioner bars use of installment premium payment and merit rating plans. **Page 43**

Iowa department refuses to approve merit rating plan. **Page 45**

National Safety Council figures show decrease in automobile fatalities in cities and an increase in country districts. **Page 44**

Connecticut assembly considers merit rating plan with higher insurance rates to punish careless drivers and law breakers. **Page 44**

C. O. Pauley tells how courts allow presumptions and inferences to enter into decisions on accident insurance cases. **Page 45**

H. P. Stellwagen explains merit rating system in address before General Brokers Association of New York. **Page 46**

It is now believed that the National Bureau of Casualty & Surety Underwriters will be reorganized on a more substantial basis. **Page 46**

WESTERN UNION TO BE MORE RIGOROUS

Organization Will Take Cognizance of Infractions and Impose Penalty

BACK OF CHICAGO RULES

Members Appreciate the Serious Problems Confronting Them in Some of the Large Cities

Those who attended the Western Union meeting in Philadelphia left with the impression that the ship of state was being ably guided and that the organization was more strongly entrenched and running its course more satisfactorily than ever. On all sides the program of separation was given much credit. It is noted that in states where separation could be enforced the Union companies are having far less competition from the nonaffiliated companies. The nonaffiliated group has made some inroads on Union companies' business in some of the cities. For the most part medium sized agencies have been subject to attacks.

Non-affiliated Competition

Here and there is a Union agency determined to take nonaffiliated companies but this has been a rare incident. However, the keener competition together with the fact that the companies have had a couple of good years undoubtedly have caused some companies to digress and become lax in their observance of rules especially those dealing with compensation. However, this can be said to refer chiefly to the companies that are not in close touch with their agencies or organization work. This fact was brought out forcefully in the report of the governing committee.

Prosperity has affected some of the companies, they being inclined to reach out more greedily for a profitable business. The governing committee hereafter will assume charge of all commission violations. The feeling was manifested that there should be a sharp disciplinary attack made on violators so that the brethren would be kept in the close and narrow path.

Competition in the Cities

The members realize the very serious competition in some of the cities that are not "excepted." There have been a number of suggestions made. A few recommended the creation of additional "excepted cities." However, it was thought that if another is added, other cities will demand recognition. Some urged an increase in commissions. This seemed to be a suicidal method because there would be an urge all over the west for similar treatment. Still others insisted on reduction of rates to meet the outside competition. It was felt that this would merely reduce the income of the agents. The agents now are clamoring because they cannot conduct their business profitably in competition with commissions paid by outside agents. It is felt that there will probably be a readjustment in classification in some of the cities to give greater leeway to the agents, who, many companies believe, are entitled to consideration. This undoubtedly will have the serious consideration of the governing committee.

Will Liberalize Rules

Here and there was complaint that there is too much red tape, too many restrictions, too many rigid rules which are only aggravating to the insurance business and public. The thought was expressed that it was time to have more elasticity in operation along perfectly

PRICE INSURANCE FOR FARM PRODUCTS PROPOSED

BILL AT SPECIAL SESSION

Agricultural Relief Bill Would Give Insurance Companies First Opportunity to Provide Coverage

WASHINGTON, D. C., April 17.—Price insurance for farm products is provided for in the agricultural-relief bill introduced in the house of representatives at the beginning of the special session of Congress, Monday.

The insurance industry, however, is given first opportunity to do the business, the measure specifically providing that the government shall furnish the insurance only if it is not available from private agencies at reasonable rates.

The bill provides that the federal farm board which is created under the measure may, upon application of any cooperative associations and of the advisory committee for the particular commodity, enter into agreements for the insurance of the cooperative associations against loss through price decline in the agricultural commodity handled by the associations and produced by the members thereof.

"Such agreements," it is stipulated, "shall be entered into only if, in the opinion of the board, (1) coverage is not available from private agencies at reasonable rates, (2) the insurance will be in furtherance of the policy declared in section 1, and (3) the agricultural commodity is regularly traded in upon an exchange in sufficient volume to establish a recognized basic price for the market grades of the commodity and such exchange has accurate price records for the commodity covering a period of years of sufficient length to serve as a basis to calculate the risk and fix the premium for the insurance."

legitimate lines. Undoubtedly the subscribers' actuarial committee is sympathetic toward this expression of opinion.

There had been considerable protest about some companies, members of the Union, that were not members of the automobile conference, which pay excess commissions largely to influence fire business. Hereafter such cases will be dealt with and it is thought that much closer check will be kept on companies that do not belong to the auxiliary organizations and attempt to be free-lances.

The resolution expressing confidence in the Chicago Board's ability to en-

TIME IS NOW SET FOR THE DETROIT MEETING

WILL BE BIG CONVENTION

National Association of Insurance Agents Chooses Week of Sept. 9 for Annual Gathering

NEW YORK, April 17.—The week of Sept. 9 has been selected as the time for the annual meeting of the National Association of Insurance Agents at Detroit. Following a conference in that city, and attended by Clyde B. Smith, chairman of the executive committee; Walter H. Bennett, secretary-counsel of the National association; Fred L. Winter, president, and George Brown, executive secretary of the Michigan association; W. A. Doyle, president, and George J. Lieber, W. B. Schmidt, Charles N. Freese, Pearce Bland and J. Alfred Grow of the Detroit association, it was agreed that the executive committee of the National association will hold an all-day session on Sept. 9. The annual meeting of the Michigan association is to follow on the 10th, with a get-together dinner in the evening, leaving the three days thereafter free for regular convention sessions.

Book-Cadillac Is Hotel

The Book-Cadillac hotel, which is to be convention headquarters, will make special rate concessions to all attendants at the gathering. Detroit agents are enthused over the forthcoming convention and are determined that it be made outstanding in National association history. A convention committee will shortly be named. The Detroit association will concentrate upon a country-wide publicity campaign, based on the thought that members should arrange their vacations to conclude with attendance at the convention.

The National association officers are already at work on the program details, and expect to have them completed well in advance of the convention's opening. They realize that a high standard of speakers was set at the West Baden gathering last year, but yet promise that it be reached, or even surpassed at Detroit.

force its new rules was carried unanimously with the exception of one vote. Manager Ernest Palmer of the Chicago Board sat at the meeting and was called upon to explain how the rules were working, what the opposition consisted of, what might be expected in the future

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COURT ORDERS REFUND OF EXCESS PREMIUMS

Federal Judges Grant 41 Companies Injunctions in Missouri Suit

OTHERS MUST PAY FIRST

Upholds Opinion of State Supreme Court Regarding Basis of Insurance Rate Calculation

Attorneys for the companies and the committees representing the companies have been holding conferences regarding the Missouri decision. No definite conclusion has been reached as to what procedure the companies should now take. In a few days a program will be decided on.

KANSAS CITY, MO., April 17.—

The latest decision in the Missouri rate cut case made by a three-judge court in Kansas City last week constitutes a victory for 41 of the companies and a defeat for the remaining 114 of the 155 stock fire insurance companies involved in the suit. The decision which was concurred in by Judge Kimbrough Stone and Judge Albert L. Reeves of Kansas City and Judge Franklin E. Kennamer of Oklahoma was made on the application for a writ for temporary injunction filed by the 155 companies a year ago. The court granted the temporary injunction to the 41 companies and denied it to the remaining.

Divided Into Two Classes

The division of the companies into two classes was made on the basis of a stipulation entered into by 114 companies with Ben C. Hyde, superintendent of insurance, in 1922. When the first case was filed in February, 1922, the 114 companies entered into a stipulation with Mr. Hyde that the order which he had made requiring a 15 percent reduction should be set aside and that he would make another order, and that if the companies were dissatisfied with that order they would review it in court and if they lost they would refund the excess premiums. The federal court of three judges held that the companies must refund that excess because the stipulation bound them to it, and when the refund has been made they may then renew their application for an injunction against the order being effective from now on.

Must Give Bond

In granting the temporary injunction to the 41 companies the court provided that they must give a bond to refund the excess premium if they lose in the final decision of the case. As to those 41 companies the court has held that the effective date of the reduction if it is upheld at all will be Feb. 1, 1928, although the order by its terms was intended by Hyde to become effective November 15, 1922. The reason it did not become effective until February, 1928, is that Mr. Hyde failed to designate the classes of risks to which the reduction should apply.

The court denied the application of 114 companies for an interlocutory injunction until they refund to policyholders the excess premiums collected from Nov. 15, 1922, until the present time.

Upholds Basis of Calculation

The court upheld the opinion of the Missouri supreme court insofar as it bases the calculations on premiums received and on losses and expenses paid, rather than on premiums earned and

(CONTINUED ON PAGE 22)

NEW LINEUP IN HOME OF NEW YORK



CHARLES L. TYNER
Chairman of the Board



WILFRED KURTH
New President

QUEENSLAND INSURANCE COMPANY LTD.



W. S. COMANS
United States Manager
H. J. ROBINSON
Assistant Manager

Head Office
for United States
60 Beaver St.
NEW YORK

INCORPORATED 1886

Now Licensed in the State of Ohio

STATEMENT UNITED STATES BRANCH

December 31, 1928

ADMITTED ASSETS IN THE UNITED STATES

\$1,692,195.06

UNEARNED PREMIUM RESERVE

\$597,488.16

OTHER RESERVES AND LIABILITIES

\$92,169.55

SURPLUS TO POLICYHOLDERS

\$1,002,537.35

FRANK E. WOODS

STATE AGENT FOR OHIO

65 North Munroe Ave., Columbus, Ohio

FIRE — AUTOMOBILE — TORNADO

D. J. O'KEEFFE URGES CLOSER COOPERATION

SPEAKS IN INDIANAPOLIS

Fort Wayne Local Agent Addresses
Agents' Association of His State's
Metropolis

In an address before the quarterly meeting of the Indianapolis Fire Insurance Agents Association on April 16, D. J. O'Keeffe, local agent of Fort Wayne, Ind., said in part:

"The significance and importance of strong, efficient and active local boards are becoming more obvious and pronounced each year, and in the evolution of our business invite our careful consideration and attention. Our fire insurance companies point us a remarkable example in their maintenance of all-inclusive organizations handling the non-competitive elements of their businesses, such as inspection bureaus, audit bureaus and adjustment bureaus.



D. J. O'KEEFFE

Now the casualty companies have formed their new organization to be known as Association of Casualty & Surety Executives, which, it is said, will undertake the activities of the Casualty Information Clearing House and other non-competitive operations of stock casualty and surety companies.

"In these groups you will find, generally speaking, concerted thought and action, a high order of efficiency and a representative membership. It is only in those other company organizations which attempt to control competitive rates and rules of coverage and agents' commissions that we find dissension and discord. Witness the most recent example, the ill-advised effort of the National Bureau of Casualty & Surety Underwriters to underwrite automobile insurance on the relative merits of individual risks in direct opposition to an underlying principle of insurance. And the National Board has assumed the position that it cannot consider details of the company-agency relationship or observe the so-called conference agreement, because it wishes to confine itself to non-competitive features and to avoid controversial features of its members' affairs.

"It behooves us, therefore, to regard the various functions to be fulfilled by local boards regarding which all worthwhile agents in a given community can meet upon common ground. Among such let us count:

- "1. Cooperative advertising.
- "2. Credit-Information exchange.
- "3. Fire prevention.
- "4. Legislative activities.
- "5. Sales congresses.
- "6. Accident prevention.
- "7. Public relations.

"These joint enterprises should prove

more than enough to cement a contact between local board members from which considerable benefit should derive for all concerned. These activities should more than justify the existence of such local boards as yours and the membership therein of all qualified eligible agents in their respective cities. No friction developed by the competitive nature of our calling should dissuade worthy local agents from such co-operation.

Full Cooperation Needed

"Of course, no local board confines its operations to these undertakings. In each locality numerous other problems crowd forward for solution, and the extent to which a board's functions are broadened should be according to the exigencies of the local situation. But no single activity should be suffered to divide the membership thereof to the point of actual separation. The importance of your body as a link in our national chain should persuade you to compose your differences and appease your jealousies among yourselves and present to the world at large and to your enemies in particular a united front. Each member might well conduct himself as a soldier in the performance of duties imposed upon him by your officers.

"Your national officers in their most recent published statements are agreed that the longest single step forward for us is the formation of new local boards and the re-animation of old ones. In view of our strenuous efforts to reestablish a lost spirit of company-agency loyalty, the full responsibility for the lack of a medium of conference and conciliation between companies and agents must fall directly upon our companies so long as we maintain an organization suitable to and available for such purposes."

TO DISCUSS FIRE, ACCIDENT PREVENTION (CONTINUED FROM PAGE 4)

sound method of establishing financial responsibility of motorists?

Can financial responsibility be obtained through other means?

The last general subject for this group will be automobile thefts. The seriousness of the automobile theft problem; the extent to which thefts might be reduced through uniform state legislation requiring certificates of title and whether thefts could be checked by index records of all registered and stolen cars are some of the points to be considered.

CHAMBER OF COMMERCE FEATURES INSURANCE

The Pittsburgh chamber of commerce in its April house organ, "Greater Pittsburgh," devotes considerable space to fire and casualty insurance. Among the contributors are Henry Swift Ives of Chicago, vice-president of the Casualty Information Clearing House; W. E. Mallalieu, general manager of the National Board; Edward C. Lunt, vice-president Great American Indemnity; Lawrence E. Falls, vice-president American of Newark; T. F. Cunneen, manager insurance department United States Chamber of Commerce; W. W. Ellis, assistant to the general manager of the National Board; Albert W. Whitney, acting general manager National Bureau of Casualty & Surety Underwriters; E. E. Robinson, manager automobile department, National Bureau of Casualty & Surety Underwriters; Gregory C. Kelly, general manager Pennsylvania Compensation Rating & Inspection Bureau; H. W. J. Hargrave, manager claim department, National Bureau of Casualty & Surety Underwriters; Benjamin Rush, president North America. J. C. Russell is chairman of the fire and casualty insurance council of the Pittsburgh chamber of commerce and N. A. Weed of the Republic of Pittsburgh is vice-chairman.

Charles Lindsley, manager of the Boulder Investment Company, is reported seriously ill at the Boulder sanitarium, Boulder, Colo.



CORROON & REYNOLDS FLEET
EXTENDING COUNTRY-WIDE SERVICE AND PROTECTION
 DECEMBER 31st, 1928, STATEMENTS

American Equitable Assurance Company of New York			
Assets	Liabilities	Capital	*Net Resources
\$10,099,162.29	\$3,394,266.51	\$2,000,000.00	\$6,704,895.78
Bronx Fire Insurance Company of the City of New York			
\$4,839,591.12	\$755,197.32	\$1,000,000.00	\$4,134,393.80
Brooklyn Fire Insurance Company			
\$5,762,813.80	\$1,293,331.77	\$1,000,000.00	\$4,469,482.03
Globe Insurance Company of America PITTSBURGH, PA. (Incorporated 1862)			
\$2,258,430.77	\$813,552.56	\$512,000.00	\$1,444,878.21
Knickerbocker Insurance Company of New York			
\$5,034,363.83	\$2,255,641.18	\$1,000,000.00	\$2,778,722.70

Long Island Fire Insurance Company			
Assets	Liabilities	Capital	*Net Resources
\$408,657.14	\$42,532.38	\$200,000.00	\$366,124.76
Merchants and Manufacturers Fire Insurance Company NEWARK, N. J. (Chartered 1849)			
\$5,774,475.31	\$1,291,847.16	\$1,000,000.00	\$4,482,628.15
New York Fire Insurance Company (Incorporated 1832)			
\$2,922,000.19	\$927,051.01	\$1,000,000.00	\$1,994,949.18
Republic Fire Insurance Company PITTSBURGH, PA. (Incorporated 1871)			
\$4,076,176.31	\$1,040,535.31	\$1,000,000.00	\$3,035,641.00
Sylvania Insurance Company PHILADELPHIA, PA.			
\$5,327,783.03	\$758,805.07	\$1,500,000.00	\$4,568,977.96

*Net Resources, being aggregate of Capital, Net Surplus and Voluntary Reserves.

CLASSES OF INSURANCE WRITTEN
 FIRE, AUTOMOBILE, EXPLOSION, RIOT, CIVIL COMMOION, TORNADO AND WINDSTORM, SPRINKLER LEAKAGE, USE AND OCCUPANCY, PROFITS,
 LEASEHOLD AND GENERAL MERCHANDISE FLOATERS.

92 WILLIAM STREET

CORROON & REYNOLDS
 INCORPORATED
 MANAGER

NEW YORK CITY, N. Y.

ALTERED LAW CONTAINS SEEDS OF DISRUPTION

BOSTON BOARD IS AFFECTED

Organization Has Had to Change Its Constitution and By-Laws to Meet New Condition

BOSTON, April 17.—A state law which was changed three years ago on behalf of widowed heirs of general agents is permitting, in its new form, a development of general agency plans in Boston which threatens to disrupt normal conditions in the fire insurance business in metropolitan Boston and already has necessitated changes in the constitution and by-laws of the Boston Board.

The law forbade anyone not actively engaged in the insurance business to hold any stock in a corporation engaged in the insurance business. One or two general agents, or agency managers, died and their holdings of stock went to their widows. Under the law the widows had to dispose of the holdings as they did not actively take any part in the

conduct of the insurance business. This was considered a hardship, and it was very easy to change the law to allow anyone not in the insurance business to hold stock in a general agency corporation.

Sub-Agents Have Rebelled

Sub-agents in the Boston metropolitan district, which comprises 28 cities and towns, have for years spasmodically rebelled against the situation, which compelled them to turn in all their business from surrounding cities to Boston general agencies for 20 percent commission while Boston agents received 30 percent and could even invade the outside cities and towns and get 30 percent for such business, more than the locally situated agents themselves.

A year or two ago one group of such agents got together and formed a general agency in Boston through which they have been clearing their business. The Boston agency was incorporated and joined the Boston Board as a corporation. It has been contended that the agents feeding the general agency were able by this means to share in the higher rate of commission, if not directly, at least through the means of dividends declared.

Within the past two weeks still another such new Boston agency has been

established. This again is understood to be a movement on the part of outside sub-agents to get for themselves the same commission which is paid Boston agents, besides a share in the overhead allowance, contingencies, etc.

Rules Are Not Clear

The Boston Board rules on a Boston agency have never been clearly defined. There have been rules for Class A, B and C agencies, but the strictly Boston agency has never been surrounded with detailed regulations.

At a meeting of the board the past week the constitution, by-laws, rules and regulations were amended in various ways, all to the main effect that incorporated Boston general agencies must, henceforth, on joining the Boston Board, bring in each and every member of the corporation engaged in the business of insurance to sign the Boston Board constitution and by-laws, agreeing to live up to the board rules and demonstrate their "good faith." Formerly the secretary of the corporation could sign his name for the corporation and it was sufficient. The new rules will require the signature of all members of the corporation who are engaged in the insurance business.

It was found impossible under the law to require any member of such a

corporation who took no part in the insurance business to sign the Boston Board rules.

It is realized that there is nothing to prevent sub-agents belonging to such corporations from having their stock stand in their wives' names, who need not be registered, and thus benefit from the dividends and profits of the agency, although nominally receiving only their sub-agent's commissions.

It is also possible to get business men carrying large lines to take stock in the general agency, holding out to them the chance of getting their insurance at lower rates due to the dividends on the agency stock, constituting in effect a rebate of premium.

The board feels that the change in its rules will help it somewhat to keep closer watch on incorporated agencies, but it is equally interesting that those concerned in the formation of new Boston agencies see nothing to prevent them from putting one over on the Boston agents and the Boston Board and securing the advantage of the higher commissions that they otherwise would not get.

Ohio Insurance Code Committee

The insurance code committee of the Ohio State Bar Association met in connection with the regional meeting at Toledo.

L. C. Wykoff of Cleveland made a partial report on a draft for the life insurance section. Progress was reported by all the chairmen of subcommittees on preparation of the drafts and it is anticipated that a complete draft will be ready by the July meeting of the association.

The next meeting of the committee will be held in connection with the regional meeting of the association May 25 at Hamilton, O.

Kurths at McLarry Wedding

Wilfred Kurth, the new president of the Home of New York, has been visiting in Texas. He was accompanied by Mrs. Kurth. They were the guests of Denny McLarry, general agent of the company at Dallas. They attended the wedding of Miss Peggy McLarry last Thursday evening. Mrs. Kurth was matron of honor.

Hollister in New Position

E. J. Hollister of Rockford, Ill., who had become identified in the minds of insurance men as representing credit agencies, is leaving Dun's and will enter the direct mail advertising business representing the Retailers Service Bureau division of the Bureau of Engraving of Minneapolis for Illinois. Mr. Hollister has a large acquaintance among insurance men throughout the country and has endeavored to adapt credit service to their particular needs. He has appeared before insurance organizations as a speaker.

Lafon Riker Is President

NEWARK, April 17.—Special agents traveling the eastern, southern and New England fields for the American, at their annual banquet here, elected as officers of their organization—the Kennel Klub—for the new year, the following: President, Lafon Riker of Kentucky; vice-president, Walter Bryant of western New York; secretary, Curtis F. Eagle of Dayton, and treasurer, Herbert G. Guempel, special agent for Essex county.

Home Adds to Official Staff

Burk Mann and W. P. Gulley, both of Little Rock, Ark., have been elected vice-presidents of the Home group of companies, which includes the Home Fire, Home Accident and Home Life. Roland W. Doty has been elected secretary of the Home Fire. Charles T. Evans has been elected a vice-president of the Home Accident and is to be elected a director. The Home companies are controlled by the Rogers Caldwell interests.

How much easier it is to

tell people why you repre-

sent the Hartford than to

explain why you don't.

Are you a Hartford Agent?



HARTFORD FIRE INSURANCE CO.
HARTFORD • CONNECTICUT



PROGRESS

Below decks a great engine turns — a propeller spins — a ship moves out to sea. Through her propeller the power of mighty engines is translated into progress.

Agents of the Aetna Fire Group might be likened to the ship's propeller. Through them the financial and underwriting power of the three companies is converted into business. In this way the Agent and the Company alike move ahead — progress. Conversely, one without the other gets nowhere.



AETNA INSURANCE CO.

THE WORLD FIRE AND MARINE INSURANCE CO.

THE CENTURY INDEMNITY CO.

HARTFORD • CONNECTICUT

The three companies of the Aetna Fire Group offer their agents a close and efficient tie-up with progressive power.

WILFRED KURTH NOW HEAD OF HOME GROUP

(CONTINUED FROM PAGE 3)

Home he first had supervision over its Canadian business; subsequently taking charge of the Pacific Coast as well. In turn he was elected secretary and vice-president, and now becomes chief executive.

Was President of National Board

For two successive terms he was president of the National Board, the premier honor in the fire insurance business, and is now chairman of its executive committee. Large of frame and of brain, Mr. Kurth works constantly and easily and usually accomplishes whatever he set out to do. He is upon committees of many of the associations with which the Home fleet is identified. His counsel is freely sought and usually followed in all general forward looking movements.

Ludlum Is Well Known

Though known to underwriters in all sections of the country, Mr. Ludlum is perhaps best acquainted just now in the central west, that important division of the Home's great business having been under his especial care for the past ten

years. He was president of the Western Union for two successive terms, sharing the distinction of being one of two eastern men to enjoy that honor. Curiously the other person similarly complimented was the late John H. Washburn, a former president of the Home. Before taking over the western field for the Home group Mr. Ludlum handled its eastern territory, thereby gaining an intimate knowledge of the fire business in the two great fields of the country. He has been chairman of the laws committee of the National Board; chairman of the governing committee of the New York Fire Insurance Rating Organization and an important member of innumerable other committees of various kinds.

Is Accomplished Speaker

As a master of English Mr. Ludlum is without a peer in insurance circles; his addresses being marked by a purity of diction and clarity and finish of expression unsurpassed and unsurpassable by any other. In addition he is blessed with a humor that has made him a prime favorite as a toastmaster and speaker at association gatherings.

Mr. Ludlum's connection with the Home dates from 1898, when he became eastern director of correspondence for the company. In 1903 he was appointed

assistant secretary, being elevated to the vice-presidency in 1922.

Official Staff Harmonious

The official staff of the Home has ever been a happy family, a relationship that will not be disturbed by the present changes. While the fraternity will regret the retirement of the virile and always interesting Ludlum from the business, gratification will be felt at his decision to remain in the ranks until the close of the present year. He will likely go abroad during the summer, thus carrying out plans determined upon months ago.

The companies composing the immediate Home group include, in addition to the parent corporation, the City of New York, Franklin of Philadelphia, Carolina of North Carolina, New Brunswick, Harmonia of Buffalo, Homestead of Baltimore, Georgia Home and the Halifax of Canada. The combined assets reach the imposing figure of \$138,651,112.

John L. McKeever Dead

John L. McKeever, special agent for the New Hampshire Fire in the Middle Department for several years past, died at his home in Harrisburg, Pa., Tuesday.

AGENTS AGITATED ON AUTOMOBILE TRENDS

(CONTINUED FROM PAGE 3)

merit rating plan which differed from that of the Indemnity Company of North America to some extent. The tendency, however, was for a 10 percent reduction to everyone. The local agents seemed as a general rule to oppose the merit rating system. They felt that it would be subject to abuse and misrepresentation. When it was first put out the endorsement had to be signed by the assured. Then some companies stated they would accept the endorsement with the signature of the agent or broker.

Features of New Endorsement

This week, however, comes the announcement of a revised plan to which most of the companies agree. It will no longer be necessary for the assured to sign the merit rating endorsement. The original definition of an accident has been liberalized. The assured will be entitled to the merit rate if he is in a position to state that he has not paid any loss for personal injury or damage to the property of another or no such loss has been paid on his behalf by an insurance carrier, or a reserve has not been established for pending claims during the prescribed period. The period is 24 months immediately prior to the effective date of the policy. Under this plan a mis-statement by the assured with respect to any provisions of the new endorsement will not void his policy but he will be required to pay the company a penalty in the form of a sum twice the amount of the credit originally allowed.

Means a General Reduction

This will probably be the plan that will be followed by the companies. It virtually means a 10 percent reduction in rate. Almost all companies look upon it with disfavor. They claim they were forced into it solely by the stand taken by the Indemnity Company of North America and the Alliance Casualty. Officials in general say it is merely a reduction in rate at a time when the returns do not justify any decrease. Officials say that the automobile liability business was heading toward a heavy deficit when rates were increased a year or so ago in order to bring the class to a level. Now comes the reduction. It is acknowledged by most companies that about every one will be able to get a reduction through some hook or crook. If a person cannot "work" his own agent or broker if he has had an accident, he will be able to get the insurance through someone else who has not as keen a conscience.

Means Reduction in Income

A company that is enjoying an automobile income of \$2,000,000 a year, for example, simply has \$200,000 cut off that item without any compensating advantage, in its opinion. It is not believed that the 10 percent reduction will bring any new business to the standard stock companies from the mutuals, Lloyds, reciprocals or specialty companies. Some agents have expressed themselves in favor of the plan, but so far as can be seen at company headquarters, the correspondence indicates a violent opposition from the agency field. The agents say their income is cut still further.

Outside Competition Sharp

Undoubtedly the bureau companies have been confronted with some rather stern and intense competition from outsiders that had various plans favoring profitable policyholders. There are some strong stock participating companies especially operating in the East. The Pennsylvania Indemnity of Philadelphia, the Manufacturers Casualty of Philadelphia and others write a participating policy. The Commonwealth Casualty, the General Accident, the Employers Liability, the American Em-

Western Insurance Companies

Established in 1910
Operating in 19 States

Losses Paid Since Organization
\$5,096,000.25

The Western Automobile Casualty Company

Statement of Condition as of December
31, 1928

ASSETS	
U. S. Government Bonds.....	\$886,800.00
Other Government Bonds.....	126,100.00
County, School and Municipal Bonds.....	87,215.00
Railroad Bonds.....	33,050.00
First Mortgage Real Estate Bonds.....	100,000.00
Miscellaneous Bonds.....	161,840.00
Total Bonds (as Valued by Insurance Commissioners).....	\$1,395,005.00
Accrued Interest.....	12,810.62
Cash.....	145,517.95
Premiums in Course of Collection (Not Over 90 Days Due).....	121,276.68
Due from Other Companies.....	22,017.57
	\$1,696,627.82

LIABILITIES	
Reserve for Unearned Premiums.....	\$ 316,012.89
Reserve for Losses.....	223,114.28
Commission Due Agents.....	34,103.14
Reserve for Taxes and Expenses.....	15,427.00
Reserve for Contingencies.....	107,970.51
Capital.....	\$500,000.00
Surplus.....	500,000.00
Surplus to Policyholders.....	1,000,000.00
	\$1,696,627.82

ALL LIABILITY IN EXCESS OF \$5,000—\$10,000
LIMITS REINSURED WITH STRONG
AMERICAN COMPANIES

OFFICERS

Ray B. Duboc.....	President
W. K. Calhoun.....	Vice-President
W. J. Beggs.....	Vice-President
E. C. Gordon.....	Secretary-Treasurer
L. A. Tonnies.....	Assistant Secretary In Charge of Agencies
Walter Jordaan.....	Assistant Secretary In Charge of Claims
W. L. Johnston.....	Assistant Secretary In Charge of Automobile Underwriting
W. V. Coleman.....	Assistant Secretary In Charge of Fire Underwriting
M. L. Hurst.....	Auditor

Taylor S. Abernathy.....	Kansas City, Mo. Vice President First National Bank
W. K. Calhoun.....	Fort Scott, Kans. Sec'y-Treas. W. J. Calhoun Dry Goods Co.
F. W. Davis.....	Fort Scott, Kans. General Insurance
F. E. Doubleday, Sr.....	Fort Scott, Kans. Doubleday Coal Company
Ray B. Duboc.....	Fort Scott, Kans. President
C. H. Gardiner.....	Fort Scott, Kans. Director Citizens National Bank
E. C. Gordon.....	Fort Scott, Kans. Secretary-Treasurer
W. E. Hammer.....	Fort Scott, Kans. General Insurance

Home Office: FORT SCOTT, KANSAS

The Western Fire Insurance Company

Statement of Condition as of December
31, 1928

ASSETS	
U. S. Government Bonds.....	\$792,100.00
Other Government Bonds.....	40,020.00
County, School and Municipal Bonds.....	142,535.00
First Mortgage Real Estate Bonds.....	100,000.00
Miscellaneous Bonds.....	21,800.00
Total Bonds (As Valued by Insurance Commissioners).....	\$1,096,455.00
Accrued Interest.....	8,995.55
Cash.....	122,230.93
Premiums in Course of Collection (Not Over 90 Days Due).....	31,150.77
Due from Other Companies.....	23,441.17
	\$1,282,273.42

LIABILITIES	
Reserve for Unearned Premiums.....	\$ 132,676.27
Reserve for Losses.....	18,234.01
Commissions Due Agents.....	1,200.00
Reserve for Taxes and Expenses.....	9,955.00
Reserve for Contingencies.....	120,208.14
Capital.....	\$500,000.00
Surplus.....	500,000.00
Surplus as to Policyholders.....	1,000,000.00
	\$1,282,273.42

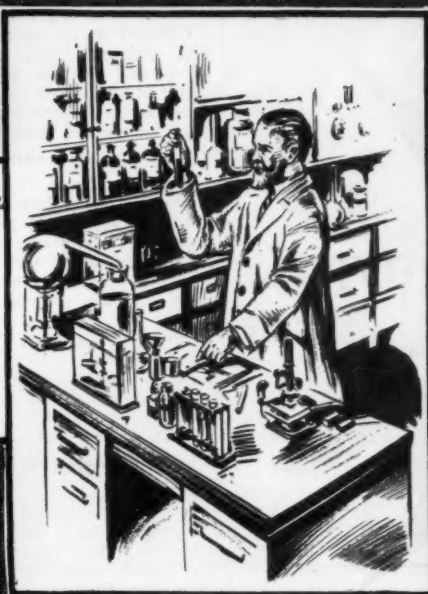
SOUND, PROGRESSIVE UNDERWRITING
POLICY
COMPLETE FACILITIES—ADEQUATE
CAPACITY

DIRECTORS

B. L. Hupp.....	Kansas City, Mo. President Loose-Wiles Biscuit Company
Alva Morrison.....	Boston, Mass. Vice Pres. Atlantic-Merrill Oldham Corp.
J. R. Newman.....	Fort Scott, Kans. Physician and Surgeon
Wm. Prager.....	Fort Scott, Kans. D. Prager & Son Jewelry Company
John A. Prescott.....	Kansas City, Mo. Pres. Prescott, Wright, Snider Company
W. N. Sechler.....	Fort Scott, Kans. Manufacturer "Feeture" Arch Supports
Frank M. Stone.....	Fort Scott, Kans. President Kansas Utilities Company

THE ACID TEST

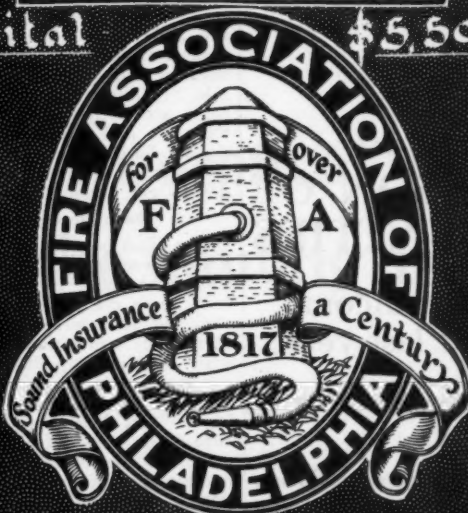
The Acid Test of Insurance is the ability of the Company to pay losses under the stress of unusual and unexpected demands.



The Fire Association has stood the Acid Test of San Francisco, Baltimore and other Conflagrations, honorably discharging its obligations.

Capital \$5,500,000.

Home Office
4th & Walnut St.
Philadelphia
Penna.



Dep't Offices
Atlanta, Chicago,
Dallas, San Francisco,
Montreal,
Havana.

AFFILIATED COMPANIES

The Reliance

Insurance Company

Capital \$1,000,000.

J. W. Cochran
President.

Victory

Insurance Company

Capital \$1,000,000.



ALMOST EVERY KIND **INSURANCE** EXCEPTING LIFE



COVERAGES EFFECTED

FIRE,
AUTOMOBILE,
TORNADO,
RENTS,
LEASEHOLD,
EXPLOSION,
RIOT and CIVIL
COMMOTION,
PROFITS AND
COMMISSION,
USE & OCCUPANCY

**AUTOMOBILE
FULL
COVERAGE**

THE SEASON OF OPPORTUNITIES

**Double your income
over that of last year**

**Now is the time that you can write
every line of coverage.**

**Take advantage of these possibilities.
Set a goal and then enthusiastically
try to reach it.**

**Selling PATRIOTIC policies will help
to assure you of a greater income
with less expense and effort.**

"Back of the Patriotic is the Sun"

PATRIOTIC INSURANCE COMPANY of AMERICA

**HEAD OFFICE
55 FIFTH AVENUE, NEW YORK**

Oswald Tregaskis, President

WESTERN DEPARTMENT
WRIGLEY BLDG., CHICAGO
JOHN F. STAFFORD, Manager

PACIFIC DEPARTMENT
SAN FRANCISCO
C. A. HENRY, General Agent

players and other companies granted certain concessions where the business was profitable. Then the specialty companies, mutuals, Lloyds and reciprocals were all out strong for automobile insurance at reduced rates or they paid dividends. How to meet this competition has been a grave problem.

Officials in the east as a rule do not feel that the plan promulgated this week will do the trick. In fact, at many home offices there is nothing but abuse and sulphuric language heaped on those considered responsible for it.

Fire Companies Aroused

Fire insurance companies writing property damage have been considerably upset by the merit rating system and now the 10 percent reduction plan, because they write the property damage class. Inasmuch as the fire and marine companies are writing property damage on one plan and the casualty companies on another, naturally confusion will result. The casualty companies, however, declare that the fire and marine automobile conference had cut collision rates in the central west in spite of their protest, so no love is lost on either side.

Non-conference Competition

The National Automobile Underwriters Conference and its jurisdictional conferences have had before them the question of non-conference competition. The most insidious form came from companies that are members of organizations which control commissions on fire and tornado insurance but do not assume responsibility for automobile insurance, but are outsiders for automobile. While these companies, therefore, are orthodox and consistent in their fire and tornado relationship they do not hesitate to pay excess commissions or grant other concessions in order to get automobile insurance.

Clash Becomes Sharper

The clash between the conference and non-conference companies has been becoming sharper. It has been difficult to hold some companies in leash because they felt they were entitled to protect themselves when they were confronted with outside competition that was taking away good business. This resulted, therefore, in the general call for a meeting in New York this week of conference and non-conference stock companies in the effort to agree on some national plan that will stabilize conditions. Many of the stock company officials declare that it is an unseemly sight for stock companies to be engaged in internecine warfare while the motor club inter-insurance exchanges, reciprocals, mutuals and others are hot after the business. Some officials take the position that there should be a solid front shown by the standard stock companies against the nonstock concerns.

Big Meeting in New York

Representatives of practically all of the former conference companies writing fire and theft automobile covers, together with officials of the great majority of the nonaffiliated institutions, are meeting here to consider the future of the business. The gathering is in response to the call issued by a number of leading company executives 10 days ago to decide whether a new and enlarged governing organization can be formed, and to which the large percentage of institutions writing the important automobile line will pledge allegiance.

Business Is Unsettled

By virtue of the large nonaffiliated element and rule infractions by some of the conference offices, the automobile business so far as the fire companies are concerned has become highly unsettled in the east. The fear is that unless earnest and extended co-operation can be effected among the carriers, demoralization will result. This condition would likely extend throughout the country, and as well would have a depressing influence upon the straight fire business.

No program has been prepared for

NORTH BRITISH HOLDING CONFERENCES IN WEST

FIRST IS AT INDIANAPOLIS

**Home Office Group Will Go from There
to Kansas City to Confer Further
With Field Men**

NEW YORK, April 17.—R. L. Mouk, general agent western department of the North British group, together with General Agent John P. Hollerith of the specialties department; Charles Waller, manager of the brokerage and service division; John M. Mylod, general agent of the automobile department; Harding V. Tisdale, assistant general agent of the western department, and Chauncey S. S. Miller, publicity director, left this afternoon for Indianapolis, where a three days' conference with the field men in the central territory will be held, after which the western special agents of the group will meet with the home office representatives at Kansas City in the same connection.

A program for the gatherings has been carefully prepared, definite subjects being assigned to different speakers. The intention is to make the sessions both instructive and inspirational. Each class of business written by the North British fleet will be taken up, its method of underwriting explained and opportunities for premium getting pointed out. Meetings of like character were recently held by the eastern field men with very satisfactory results.

Schoen's Title Changed

United States Manager R. R. Martin of the Atlas Assurance announces that the title of Edward M. Schoen, general agent of the western department at Chicago, has been changed to manager. Mr. Schoen since January, 1924, has been in charge of the company's western business. Mr. Martin in commenting on the change says, "This change of title indicates appreciation of the sound progress which the company's interests have met with in the middle western states under Mr. Schoen's care."

the meeting, and advisedly so. Sponsors of the movement prefer that discussion be along basic lines, leaving to a later date the preparation of details should sentiment at the gathering pronounce in favor of a new centralized governing body.

C. H. Carpenter has resigned as agency superintendent of the National Union Fire for eastern territory.

SERVICE FOR NON-RESIDENT AGENTS

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Chicago Business Better
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Years of
Continuous
Successful
Operation
in Chicago

"Tested Methods"—3.



"Why didn't I have
Windstorm Insurance?"
"You did!" was the smiling reply.

Then Jack Hawley explained: "When I wrote your automobile fire and theft policy, I took the liberty—as your insurance advisor—of attaching a windstorm rider. The cost was small and I knew that you would expect me to have you covered in the event of loss. If I had not included the windstorm coverage, you would now be in position to accuse me of neglect." "You bet I would," said the car owner. "I

depend upon you to see that I have the various kinds of insurance that I need. In this case, if it had not been for your good judgment, I would have to pay the damages out of my own pocket. You've saved me considerable money and I appreciate it."

This story, told by the car owner, went the rounds and Jack Hawley began to get business from people he had never sold before.

MORAL—It takes head work as well as foot work to get anywhere.

"The Glens Falls Fleet"

<p>Glens Falls INSURANCE COMPANY Glens Falls, New York.</p>	<p>COMMERCE INSURANCE COMPANY Glens Falls, New York.</p>	<p>Glens Falls INDEMNITY COMPANY Glens Falls, New York.</p>
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CHANGES IN THE FIELD

SEWELL TAKES FIELD POST

James E. Bright Goes With the Corroon & Reynolds Group in Iowa and South Dakota

Dillard B. Sewell of Charlotte, has been appointed state agent in North Carolina for the Sylvania and the Globe, and also representative in South Carolina for the latter named. Both companies belong to the Corroon & Reynolds group. A native of the south and formerly president of the Southern Home and of the Savannah Fire, Mr. Sewell's underwriting and executive experience is a broad and valuable one and his acquaintance with local agents very extensive.

James E. Bright, of Des Moines, has been given the Iowa and South Dakota state agency for the Merchants & Manufacturers, Sylvania and Bronx Fire, all three members of the Corroon & Reynolds fleet. One of the veteran field men in the central west Mr. Bright was at one time Iowa state agent for the Commonwealth of New York, later assuming a like connection with the Automobile of Hartford.

FOLSOM TO AMERICA FORE

Becomes Special Agent for the Continental and First American in New York State

In succession to Leroy T. Brown, recently called to the head office of the America Fore companies as agency superintendent for the New England and New York territories, Albert Folsom has been appointed special agent for the Continental and the First American, and will establish headquarters at Albany. A graduate of Syracuse University, Mr. Folsom's first business connection was with the New York Fire Insurance Rating Organization. Subsequently he became a field man for the Agricultural, which he leaves to join the special agency staff of the two America Fore companies.

William E. Matchett

Wm. E. Matchett of Princeton, Ind., has been appointed special agent for the Continental, succeeding K. R. Dunkin in Indiana, with headquarters in the Chamber of Commerce building, Indianapolis. Mr. Matchett is a graduate of Earlham College of Rochester, Ind., and has had extended local agency experience in the Matchett agency at Princeton. Since finishing school he has been connected with the Hartford Fire's western department.

Harold F. Sweeney

Harold F. Sweeney, formerly with Marsh & McLennan in Chicago, has been appointed special agent for the Northwestern National in Indiana, succeeding R. B. Evans, who was recently transferred to Illinois as state agent.

Clyde L. Tindall

The Mechanics and National-Ben Franklin Fire have appointed Clyde L. Tindall state agent for Missouri with headquarters in Kansas City. He has heretofore traveled in Nebraska as state agent for the Fire Association.

A. T. Roberts

A. T. Roberts has joined the Travelers Fire as a special agent in Florida and Georgia. He will have headquarters in Atlanta and will be associated with Manager C. G. Show. He has been with the Southern Adjustment Bureau in various capacities in Chattanooga and Atlanta.

ROGERS TO TRANSPORTATION

Well Known Field Man of Minnesota Joins Partners in Establishing a New Firm

Frank S. Rogers of St. Paul, state agent of the North British & Mercantile and associated companies in Minnesota, has resigned to become affiliated with his brother, Marcus J. Rogers, and Thaddeus C. Field as state agents for the Transportation and Transportation Indemnity for Minnesota, North Dakota and Wisconsin. They will also act as general agents for the marine department of the Transportation in Minnesota. The state agency will be operated under the incorporated firm of Rogers & Field. The headquarters will be at 230 Hamm building in St. Paul.

Frank Rogers is a native of St. Paul and is a son of the late Joseph A. Rogers, one of the prominent local



FRANK S. ROGERS

agents in the city. He has traveled in Minnesota for 12 years, starting in the field in 1916 as special agent for the Standard Fire of Hartford. He went with the North British & Mercantile in 1922. He is one of the leaders in this territory.

Marcus J. Rogers has been in the local agency business since 1910, being associated with his father, the late Joseph A. Rogers. He is secretary of the Joseph A. Rogers Agency, which was incorporated in 1912.

Mr. Field is the son of John I. H. Field, president of the Field-Schlick Company, a prominent merchandising firm in St. Paul. He has been associated with the Joseph A. Rogers agency since 1914.

D. M. Bryden

D. M. Bryden, special agent for the Automobile at St. Louis, has resigned as of May 1. No successor has yet been appointed.

Monroe D. Hess

Monroe D. Hess of Newark, N. J., a local agent in that city, has been appointed state agent for the Chicago Fire & Marine and Presidential in New Jersey. He succeeds M. J. Pfeiffer, who has been transferred to Syracuse, N. Y., to cover New York state. Mr. Pfeiffer has been traveling in New Jersey and Pennsylvania. He will retain Pennsylvania, now covering New York and Pennsylvania.

John Morrison, general agent of the Globe & Rutgers at Omaha, was in Denver last week conferring with Hoyt Leech, state agent for Colorado and Wyoming.

FIRE RETURNS BY STATES

Net Premiums Received and Losses Paid Last Year in the Various Commonwealths

COLORADO

F.—FIRE; T.—TOTAL

	Premiums	Losses
Amer. Res., N. Y.	F. 5,091	T. 2,976
Atlas, Eng.	F. 56,480	T. 17,903
Albany	F. 78,557	T. 27,231
Atlantic	F. 18,457	T. 2,769
Amer. Union	F. 29,000	T. 8,987
Amer. Automobile	F. 182	T. 45
Alliance, Pa.	F. 191	T. 46
Automobile	F. 2,039	T. 29
Atlantic Mutual	F. 2,020	T. 29
Amer. Equitable	F. 18,902	T. 2,889
Amer. F. & M., Tex.	F. 18,902	T. 2,889
American, N. J.	F. 14,020	T. 6,557
American Eagle	F. 22,331	T. 7,517
Amer. Alliance	F. 42,689	T. 9,509
Amer. Merch. Mar.	F. 85,091	T. 29,330
Agricultural	F. 2,617	T. 613
Amer. Nat., O.	F. 2,617	T. 613
Amer. Drug, O.	F. 7,597	T. 4,008
Amer. Contr., Mo.	F. 8,591	T. 4,008
Allemanina	F. 2,776	T. 186
Aetna	F. 4,961	T. 1,326
British Amer.	F. 47,451	T. 11,221
Baltimore Amer.	F. 58,654	T. 14,224
Berkshire Mutual	F. 14,511	T. 5,843
Buffalo	F. 32,096	T. 17,238
Bankers & Shippers	F. 5,547	T. 2,285
Boston	F. 5,662	T. 2,285
Baltica	F. 1,799	T. 766
Birmingham, Ala.	F. 1,773	T. 773
British General	F. 43,796	T. 19,630
Camden	F. 24,732	T. 7,732
Commonwealth	F. 13,258	T. 3,228
Commercial M., Col.	F. 14,467	T. 3,516
Consol. F. & M., Colo.	F. 3,201	T. 127
Carolina	F. 3,201	T. 127
Citizens, Mo.	F. 17,277	T. 4,141
Continental	F. 17,425	T. 4,146
Commercial Un., Eng.	F. 19,079	T. 9,316
Commercial Un., N. Y.	F. 20,059	T. 10,813
Caledonian Amer.	F. 19,538	T. 14,338
Caledonian	F. 191,590	T. 25,327
Columbia, N. J.	F. 8,861	T. 398
Commerce	F. 7,349	T. 441
Carolina Mut.	F. 8,122	T. 3,249
Concordia, Wis.	F. 9,067	T. 3,547
County, Pa.	F. 1,914	T. 135
California	F. 1,914	T. 135
Connecticut Fire	F. 625	T. 76
Century	F. 625	T. 76
Central Mfrs., O.	F. 21,781	T. 2,351
Chicago F. & M.	F. 22,487	T. 2,487
City of New York	F. 20,673	T. 2,288
Columbian Nat.	F. 25,529	T. 8,703
Christiana Gen.	F. 7,275	T. 2,855
Detroit Nat.	F. 7,276	T. 2,855
Detroit F. & M.	F. 797	T. 229
Dixie	F. 806	T. 229

F.—FIRE; T.—TOTAL

	Premiums	Losses
Dubuque F. & M.	F. 15,372	T. 5,458
Eagle, N. J.	F. 15,454	T. 5,478
Excelsior	F. 12,659	T. 4,013
Empire State	F. 12,675	T. 4,023
Equitable F. & M.	F. 363	T. 89
Eagle St. & Br. Dom.	F. 381	T. 90
Eureka Secur. F. & M.	F. 1,471	T. 2,093
East & West	F. 8,441	T. 3,425
Equity, Mo.	F. 10,632	T. 3,917
Eagle, N. Y.	F. 18,020	T. 2,067
Employers	F. 31,357	T. 6,459
Export	F. 6,595	T. 3,239
Equitable, S. C.	F. 6,724	T. 3,290
Franklin Nat.	F. 3,295	T. 42
Federal, N. J.	F. 3,637	T. 161
Fitchburg Mut., Mass.	F. 118	T. 279
Federal Un., Ill.	F. 117	T. 279
Fidelity-Phenix, N. Y.	F. 5,697	T. 1,139
Franklin	F. 6,090	T. 1,374
First American	F. 4,526	T. 1,452
Fire Reinsurance	F. 23,069	T. 10,566
Farmers, Pa.	F. 772	T. 2,271
Firemen's, N. J.	F. 205	T. 1
Fidelity Amer., Tex.	F. 1,641	T. 1,264
Fire Assn.	F. 1,604	T. 1,264
Firemans Fund	F. 12,524	T. 1,496
Granite State	F. 23,773	T. 4,845
Glen Cove, N. Y.	F. 3,259	T. 1,688
Great Lakes, Ill.	F. 3,269	T. 1,688
Globe, Pa.	F. 4,577	T. 1,472
Guaranty, R. I.	F. 4,922	T. 1,542
Georgia Home	F. 67,723	T. 13,150
Great American	F. 124,803	T. 57,034
Glen Falls	F. 13,898	T. 6,310
Guardian, N. Y.	F. 16,982	T. 7,600
Girard F. & M.	F. 1,769	T. 462
General, Fr.	F. 3,344	T. 938
General, Wash.	F. 8,893	T. 3,176
General Exchange	F. 9,298	T. 3,300
Globe & Rutgers	F. 1,089	T. 183
Harmonia	F. 1,115	T. 184
Home F. & M.	F. 25,235	T. 9,068
Hardware Dirs., Wis.	F. 27,678	T. 10,825
Homeland	F. 1,956	T. 1
Hamburg Amer.	F. 6,148	T. 1,264
Hudson	F. 42,476	T. 21,035
Hartford	F. 54,222	T. 31,074
Hampton Roads	F. 151,422	T. 69,562
Imperial	F. 190,488	T. 87,532
Independence	F. 11,867	T. 7,839
State, Pa.	F. 11,867	T. 7,839
Inter-Ocean Reins.	F. 5,474	T. 3,320
International, N. Y.	F. 6,378	T. 518
Indem. Mut. Mar., Eng.	F. 1,455	T. 559
Ins. Co. N. A.	F. 1,455	T. 559
Iroquois	F. 5,472	T. 4,097
Industrial, Colo.	F. 6,248	T. 1,391
Importers & Exp.	F. 6,704	T. 1,392
Industrial, Tex.	F. 220	T. 231
Jupiter General	F. 225	T. 231
Kyodo	F. 117,231	T. 47,166

F.—FIRE; T.—TOTAL

	Premiums	Losses
London & Lanc.	F. 15,049	T. 1,306
Law Union & Rock	F. 16,810	T. 1,707
London & Scottish	F. 2,821	T. 264
Lumb. Mut., O.	F. 819	T. 16
Liberty Bell	F. 1,857	T. 1,647
London Assur.	F. 4,551	T. 1,253
Lincoln, N. Y.	F. 4,752	T. 1,253
L. & L. & G.	F. 1,196	T. 132
Lumbermens, Pa.	F. 1,281	T. 132
LaSalle	F. 29,759	T. 14,996
London & Prov., Eng.	F. 30,300	T. 16,434
Mercury	F. 10,833	T. 2,545
Massachusetts	F. 10,997	T. 2,612
Millers Nat., Ill.	F. 73,235	T. 25,547
Millers Mut., Ill.	F. 78,750	T. 24,680
Millers Mut., Tex.	F. 7,250	T. 2,287
Mechanics, Pa.	F. 9,387	T. 2,480
Millwaukee Mech.	F. 2,985	T. 571
Mill Owners, Ia.	F. 8,147	T. 828
Manhattan F. & M.	F. 4,187	T. 828
Merchants, N. Y.	F. 4,732	T. 446
Michigan F. & M.	F. 6,015	T. 554
Merchants, Colo.	F. 2,004	T. 731
Mohawk, N. Y.	F. 2,043	T. 731
Mechanics & Trad.	F. 21,655	T. 4,396
Marine, Eng.	F. 36,466	T. 9,641
Maryland, Dela.	F. 9,109	T. 5,737
Mich. Millers	F. 9,148	T. 5,738
Nat. Ben Franklin	F. 14,538	T. 992
National, Conn.	F. 15,039	T. 1,007
Northern Assur., Eng.	F. 13,840	T. 66
New England	F. 13,886	T. 74
New Brunswick	F. 2,588	T. 66
New India	F. 2,661	T. 83
North Carolina Home	F. 59,971	T. 14,574
North Star	F. 48,317	T. 18,376
Northw. Mut., Wash.	F. 13,978	T. 4,278
Nat. Security, Neb.	F. 22,792	T. 7,610
New Zealand	F. 37,447	T. 12,456
Nat. Impl., Minn.	F. 42,763	T. 18,034
Netherlands	F. 8,794	T. 754
Nor. Br. & Merc.	F. 8,804	T. 754
Northern, N. Y.	F. 4,845	T. 1,009
Norw. Union	F. 4,932	T. 1,009
Nor. Br. & Merc.	F. 13,387	T. 1,851
Northern, N. Y.	F. 30,798	T. 14,150
Norw. Union	F. 14,449	T. 5,224
Nor. Br. & Merc.	F. 14,761	T. 5,479
Northern, N. Y.	F. 68,020	T. 13,490
Norw. Union	F. 72,656	T. 14,240
Nor. Br. & Merc.	F. 470	T. 470
Northern, N. Y.	F. 12,250	T. 5,218
Norw. Union	F. 14,279	T. 5,218
Nor. Br. & Merc.	F. 5,895	T. 1,462
Northern, N. Y.	F. 24,922	T. 7,649
Norw. Union	F. 13,997	T. 343
Nor. Br. & Merc.	F. 14,016	T. 343
Northern, N. Y.	F. 12,629	T. 4,282
Norw. Union	F. 12,998	T. 6,281
Nor. Br. & Merc.	F. 80,308	T. 36,691
Northern, N. Y.	F. 93,484	T. 38,017
Norw. Union	F. 38,422	T. 14,230
Nor. Br. & Merc.	F. 45,168	T. 16,824
Northern, N. Y.	F. 1,320	T. 81
Norw. Union	F. 19,519	T. 9,728
Nor. Br. & Merc.	F. 25,230	T. 20,165
Northern, N. Y.	F. 6,302	T. 4,011
Norw. Union	F. 7,907	T. 4,344
Nor. Br. & Merc.	F. 34,230	T. 8,497
Northern, N. Y.	F. 35,446	T. 8,564
Norw. Union	F. 17,305	T. 5,987
Nor. Br. & Merc.	F. 45,756	T. 24,436
Northern, N. Y.	F. 33,903	T. 14,116
Norw. Union	F. 40,795	T. 16,978
Nor. Br. & Merc.	F. 57,858	T. 17,979
Northern, N. Y.	F. 68,332	T. 28,173
Norw. Union	F. 22,767	T. 7,271
Nor. Br. & Merc.	F. 22,933	T. 7,421
Northern, N. Y.	F. 1,518	T. 151
Norw. Union	F. 1,526	T. 154
Nor. Br. & Merc.	F. 4,859	T. 154
Northern, N. Y.	F. 4,781	T. 154
Norw. Union	F. 2,044	T. 154
Nor. Br. & Merc.	F. 8,827	T. 154
Northern, N. Y.	F. 8,908	T. 154
Norw. Union	F. 25,484	T. 154
Nor. Br. & Merc.	F. 35,681	T. 154
Northern, N. Y.	F. 24,103	T. 154
Norw. Union	F. 25,685	T. 154
Nor. Br. & Merc.	F. 40,319	T. 154
Northern, N. Y.	F. 45,366	T. 154
Norw. Union	F. 35,274	T. 154
Nor. Br. & Merc.	F. 44,260	T. 154
Northern, N. Y.	F. 3,429	T. 154
Norw. Union	F. 3,339	T. 154
Nor. Br. & Merc.	F. 1,344	T. 154
Northern, N. Y.	F. 1,345	T. 154
Norw. Union	F. 14,544	T. 154
Nor. Br. & Merc.	F. 15,160	T. 154
Northern, N. Y.	F. 5,624	T. 154
Norw. Union	F. 40,988	T. 154
Nor. Br. & Merc.	F. 27,587	T. 154
Northern, N. Y.	F. 31,287	T. 154
Norw. Union	F. 1,586	T. 154
Nor. Br. & Merc.	F. 1,589	T. 154

W. P. Coffey Dead

DENVER, COLO., April 17.—William P. Coffey, former special agent for the Fireman's Fund for southern Colorado, died at St. Joseph's hospital here Sunday night. Mr. Coffey had been connected with Fireman's Fund for more than 20 years and was active until recently, although he had been in poor health for a number of years.

Proof in 60 Days Required

The United States Supreme Court has declined to review the decision in favor of the company in the case of Lamar Harris vs. North British & Mercantile. In that case the assured failed to file proof of loss within 60 days as required by the policy.

NEW WAR FORECAST IF TAGGART BILL PASSES

ITS FATE STILL IN DOUBT

Pennsylvania Measure Would Authorize Arbitrary Suspension or Revocation of Licenses

HARRISBURG, PA., April 17.—With the 1929 Pennsylvania legislature in its last hours, indications are that Senate Bill 1036, which gives the insurance commissioner the authority to refuse to license foreign companies if in his opinion such action will best benefit the interests of the state and also the right to revoke their licenses at any time, and which as already passed the senate, may have to wait until the vest last minute of the legislature before its fate is decided.

Should this bill pass, insurance men believe that it will mean a new battle with other states which will make last year's quarrel between Commissioner Taggart and Texas, Massachusetts and New Jersey seem tame by comparison. Strange to say, insurance men are not opposing the measure, seeming to feel that "it is Mr. Taggart's funeral." Some opposition, however, has developed in the house and a vote is not expected until the very last minute. This last-minute opposition also makes the fate of the bill doubtful.

STOCK OF SOUTHERN IS OFFERED AT \$33

Stock of the new Southern Fire, running mate of the Southern Surety, is being offered at \$33 per share. Warrants have been sent to stockholders of the Southern Surety entitling them to buy two shares of the fire company's stock for each five shares of Southern Surety stock now held. The company will have a capital of \$1,000,000 and surplus of about \$2,000,000. The officers and directors will be mainly those of the Southern Surety. Norman R. Moray, president of the Southern Surety, has stated that after the Southern Fire is established it is planned to add other fire companies either by purchase or organization until the group has taken its place among the five or six large groups of the country.

Shallcross is Honored

C. F. Shallcross, United States manager of the North British & Mercantile, celebrated his tenth anniversary in that office this week. A drive for business in his honor had been initiated and there were a large number of daily reports on his desk indicating much new business. He was given flowers from the office force and some from the field men. Greetings and congratulations came from various people who knew about the happy event.

"Ad" Conference Chattanooga Meeting

A regional meeting of the Insurance Advertising Conference will take place at Chattanooga, Tenn., May 6-7. Consideration will be given to such insurance advertising problems as seem uppermost at the time. The program is being prepared by R. G. Richards of the Atlantic Life. The conference feels it but fair to meet in the south, previous gatherings having been held at considerable distances from that section.

Alliance Opens Chicago Branch

The Alliance Casualty has opened a branch office at A-1703 Insurance Exchange. The branch manager is Dion W. Taylor, who has been in charge of the Boston office of the Indemnity of North America. Mr. Taylor has been ill for some time and has not yet arrived in Chicago. The office is temporarily in charge of H. C. Johnston, who goes to Chicago from the home office of the Indemnity of North America in Philadelphia.

ATLAS IS IN THE SPOTLIGHT

Atlas Casualty Company is in the spotlight because it is a friendly, progressive stock company specializing exclusively in the one line of automobile insurance.

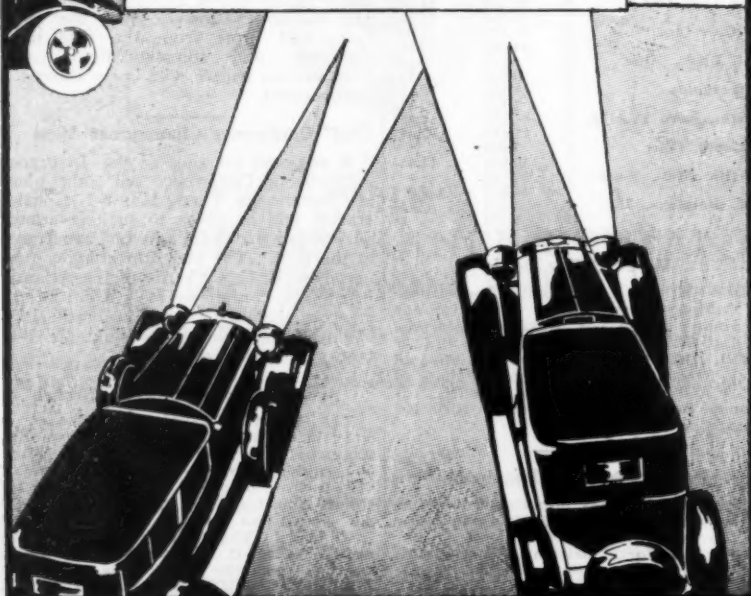
Atlas offers you the advantages of writing every coverage in one policy, of prompt and satisfactory service, and a "different" agency contract.

But, above all else, you will find that the friendly, personal interest every member of the Atlas takes in you will prove to be the most helpful and most valuable aid to your agency and to your success.

Atlas Casualty Company

Executive Office
Fort Wayne, Indiana

Operating in Indiana, Illinois, Ohio,
Michigan, Missouri and Pennsylvania



Stock Quotations of Insurance Companies

(Furnished by Lewis-Dewes & Co., 111
West Monroe, Chicago)

	Par	Bid	Asked	Divd. Per Share
Aetna Cas.	100	1900	1925	\$12.00
Aetna Fire	100	785	800	20.00
Aetna Life	100	1420	1440	12.00
Agricultural	25	190	205	4.00
Allemania	50	275	300	10.00
Am. All. (N.)	10	45	49	...
Amer. Auto.	10	80	...	2.00
American Drug	25	80	90	3.00
Amer. Equitable	5	45	47	1.50
American N. J.	5	26 1/2	28	1.00
Amer. Reserve	10	90	100	4.00
Am. Salamandra	50	85	90	2.50
Amer. Surety	25	153	158	...
Automobile	100	605	620	8.00
Balti. American	5	57	59 1/2	.60
Bankers Indemn.	5	23	25	...
Bankers & Ship.	25	140	160	20.00
Boston	100	940	960	16.00
Brooklyn	25	142	150	...
Buffalo	100	300	...	13.00
Camden	5	36	38	.95
Carolina	10	46	48	1.40
Central West	50	62	70	2.00
Chicago F. & M.	10	18	20	...
City N. Y.	100	730	750	16.00
Colonial St.	100	24	27	...
Col. National	25	16	19	...
Comm. Casualty	10	46	49	2.00
Commonwealth	100	700	...	20.00
Constitution Ind.	10	26	30	...
Cont. Casualty	10	66	67 1/2	1.60
Continental	10	81	84	2.00
Detroit F. & S.	50	47	52	4.00
Detroit F. & M.	100	270	310	10.00
Det. National	25	17	20	1.25
Eagle N. J.	20	85	92	4.00
Employers Reins.	10	33	36	...
Excelsior	5	12	14	...
Federal N. J.	100	1500	1600	20.00
Fid. & Cas.	25	175	185	5.00
Fid. & Dep.	50	285	295	8.00
Fidel.-Phenix	10	94	96	2.00
Fire Assoc.	10	47	49	2.50
Fireman's Fund	25	106	112	5.00
Firemen's N. J.	10	42	45	2.20
Franklin (New)	25	200	210	8.00
Gen. C. & S. (N.)	25	120	127	...
General Surety	25	120
G. Casualty	5	20	24	...
Glens Falls	10	62	65	1.60
Globe & Rut.	100	1460	1480	24.00
Globe Under.	24 1/2	25 1/2
Great Amer. Cas.	25	15	20	...
Gt. Am. Indemn.	10	56	59	...
*Gt. American	10	45	47	1.60
Great Lakes	10	13	...	1.00
Guaranty Fire	100	210	225	10.00
Hallfax	10	31	33	1.00
Hamilton	50	400	...	4.00
Hanover	10	85	87	1.00
Harmonia	10	37 1/2	39	1.40
Hartford	100	1090	1110	22.00
Hartford St. Boil.	100	830	850	18.00
Home N. Y.	100	600	610	20.00
Home Fire Sec.	10	42	44	...
Homestead	10	36	39	1.00
Hudson Cas.	5	8	10	.10
Import. & Exp.	25	123	128	4.00
Indep. Indemn.	10	24 1/2	26	.50
Independence	10	18	22	.60
Ins. Co. N. Am.	10	78	79 1/2	2.00
Lincoln Fire	20	100	110	4.50
Lloyds Cas.	10	37	39	...
Md. Casualty	25	148	150	5.00
Mass. Bond	25	168	178	4.00
Merchants Com.	10	132	138	...
Merchants Pfd.	100	120	...	7.00
Mechanics	25	95	...	2.50
Merchants R. I.	50	110	120	...
Merch. & Mfrs.	5	26	29	...
Metropolitan N.Y.	10	10 1/2	...	1.00
Mohawk Fire	25	65	70	...
National Cas.	10	41	44	1.20
National Ct.	100	145	1510	25.00
National Liberty	5	33	35	.50
National Union	100	335	345	12.00
National Surety	50	131	132	...
New Amster. Cas.	10	84	86	2.90
New Brunswick	10	47	49	1.20
New Century	50	5.00
N. England Cas.	10	47	50	1.00
New Hampshire	100	630	650	16.00
New Jersey	20	66	70	2.00
New York Cas.	25	88	94	4.00
Niagara Fire	25	170	175	4.00
Northern	25	145	148	3.75
North River	25	420	430	7.75
N. W. National	25	155	165	5.00
Occidental	10	27	29	...
Pacific Fire	25	170	185	5.00
Pacific Indem.	50	230	240	6.00
Peoples National	5	37	39	1.00
Philad. National	10	23	27	...
Phoenix Ct.	100	1020	1030	20.00
Pioneer	20	20
Preferred Accl.	100	500	530	12.00
Presidential	25	29	32	...
Provl. Wash.	100	875	885	16.00
Public Fire	5	25	27	...
Rossia	25	274	276	6.00
Seaboard Sur.	10	22	25	...
Security N. H.	25	128	135	3.00
Southern Surety	10	40	45	1.60
Springfield	25	195	200	4.00
St. Paul F. & M.	25	193	199	5.00
Standard Accl.	50	325	375	6.00
Stuyvesant	100	460	468	6.00
Sylvania	10	30	34	...
Transport. Ind.	10	18	22	...
Transportation	25	43	45	...
Travelers	100	1900	1920	22.00
U. S. Casualty	25	105	115	3.00
U. S. Fire	10	128	130	2.40

European Insurance Men Won't "Loosen Up" O. A. Jenison Reports

LANSING, MICH., April 17.—European insurance men, particularly Londoners, are excellent hosts and ideal social companions, but they are disinclined to discuss the state of their business or the methods of its conduct with visiting Americans. O. A. Jenison, president of the Dyer-Jenison-Barry Company, Lansing agency, discovered during a recent trip abroad. Mr. Jenison, who with Mrs. Jenison spent three months in England, France, Italy, Austria, Hungary and other European countries, said upon his return to his office here this week that he learned almost nothing about insurance conditions abroad, although he met many leading insurance men and visited the home offices of several companies represented in his agency, including the North British &



O. A. JENISON

Mercantile, Royal, Norwich Union and Commercial Union.

Mr. Jenison was particularly interested in the paucity of fire hazards in Europe. Use of non-inflammable materials and exercise of extreme caution have cut losses to a point where, even with much lower rates, the companies are able to show a surprising underwriting record. Even the best-informed British insurance men know little about their American business, Mr. Jenison said. They pursue a hands-off policy as long as their returns are good. They show a lively interest in American methods, however, and in part screen their own reticence by questioning the visiting tourist. Mr. Jenison was surprised at the modest salaries paid to rising young clerks and sub-executives in the London insurance offices.

Names Resident Adjuster

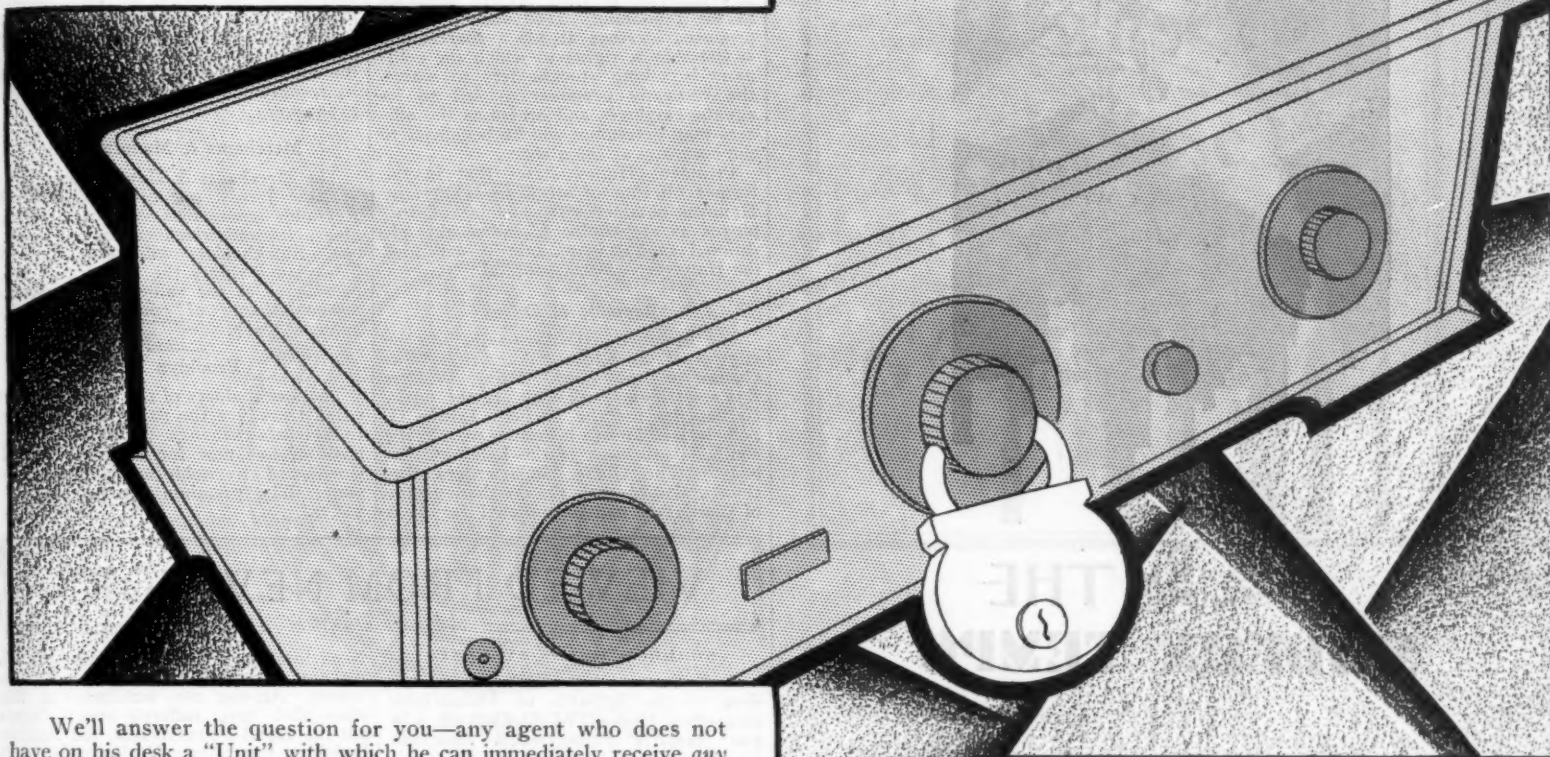
In line with its policy of establishing resident adjusters at important points throughout the field, the Western Adjustment will locate a resident adjuster at Cedar Rapids, Ia. Verne E. Noble, staff adjuster of the Des Moines branch, has been selected for the post and will remove to Cedar Rapids on May 1.

Mr. Noble was formerly with the claim department of the Rock Island railroad and joined the Western Adjustment in January, 1925. He has an excellent record as an adjuster, having had considerable experience in different states. He is a native of Cedar Rapids. It is quite possible that the Adjustment Company will establish at least one other resident adjustership in Iowa at a point to be determined later.

	Par	Bid	Asked	Divd. Per Share
U. S. Fid. & Guar.	10	77	79	...
U. S. Mer. & Sh.	100	470	490	8.00
Westchester	10	85	87	2.50

*—Great American Rights, 1/2 to 1.

HAVE YOU A LOCKED DIAL RECEIVER?



We'll answer the question for you—any agent who does not have on his desk a "Unit" with which he can immediately receive *any* information about his business whether it concerns new forms—manual changes—policy analyses—agency building aids—or selling information—has a locked dial receiver.

Any agent who is dependent upon a single source for his information such as company literature, textbooks, Insurance magazines, etc., likewise is using a receiver of limited range.

Until now—Fire and Casualty men have of necessity had LOCKED DIAL receivers because nothing else has been available. Now with The F. C. & S. Bulletins The National Underwriter offers Fire and Casualty agents an independent, unbiased source of information that makes it unnecessary for any agent to depend upon any company or companies for business getting, agency building information. Literally, The F. C. & S. Bulletins begin where the rest leave off.

What the "F. C. & S." will do for you—

The F. C. & S. Bulletins are issued for but one purpose—to make the business of producing Fire, Casualty and Surety business more profitable, easier, and more certain. The F. C. & S. Bulletins are designed for all agents whether they are *new* and *inexperienced* or *old*, *successful* campaigners.

Through The F. C. & S. Bulletins Insurance men will be no longer dependent upon their own experiences. This Bulletin Service will help them make their business "competition proof"—it will help agents combat the "personal pull" resistance—it will help build up an agency by keeping the reader up-to-date and informed of manual changes and the new underwriting methods and their profit possibilities. It will bring new sales methods,—new ways of keeping old customers sold—selling new customers.

What Is It?

The F. C. & S. Bulletins service however is neither a text book nor a substitute for a lesson course. It is not a digest of Insurance magazine articles. It is not a reprint of manuals or lesson courses—or a mass of heterogeneous facts thrown haphazardly together. What is it then? The coupon returned will bring you the answer.

Gets All Stations

The F. C. & S. Bulletins is the NEW monthly Service for Fire Casualty and Surety men made available by The National Underwriter Company. That there is a definite need for an independent, unbiased service such as has achieved tremendous success in the Life and Accident and Health Fields has long been recognized by the leading thinkers of the Fire Insurance business. It is realized by authorities that while information supplied agents by the companies is valuable, it is not comprehensive enough in scope and viewpoint. What the Fire Insurance man needs just as the Life and Accident and Health men found they needed is the information gathered from the whole field by an independent, unbiased organization—then the Insurance man is assured of never missing out on an important development or idea.

THE NATIONAL UNDERWRITER

A1946 Insurance Exchange
Chicago, Illinois.

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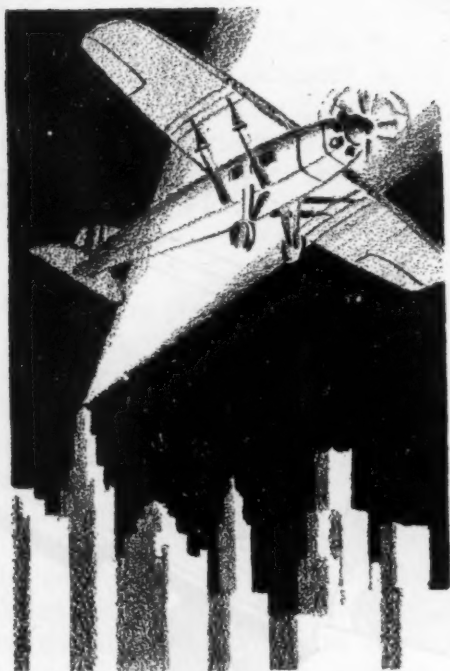
Name

Street

City

State

The Distinctiveness of the Trinity Fire Is Primarily Attributable to its Modern Conception of Fire Insurance



IN THE MODERN TEMPO

It is a significant endorsement to have it said of this organization that it is modern in its conception of Fire Insurance.



NEWS OF COMPANIES

WILL INCREASE ITS CAPITAL

Hanover Fire Will Add 6,000,000 More to That Item and Augment Surplus

President C. W. Higley of the Hanover Fire in a letter to stockholders announces that the directors approved an increase of \$1,000,000 in the capital, which means the issuance of 100,000 shares of \$10 par value each. The plan is conditioned upon stockholders waiving their right of subscription to 40,000 shares of this additional issue. A stock dividend of 10 percent on the present capital, representing 30,000 shares of the proposed issue will be paid. Stockholders will be given the right to subscribe in proportion to their present holdings to the remaining 30,000 shares of the proposed increase at \$60 a share. The 40,000 shares, rights to which the company is asking stockholders to waive, the company proposes to sell to its agents, employees and others as the officers may determine will be beneficial to the company at \$60 a share.

President Higley states that in the former offering of stock to agents the Hanover obtained 1,420 agents and employees as stockholders. When the additional capital is paid in it will give the Hanover \$4,000,000 capital.

Republic of Dallas

The Republic of Dallas passes into the control of the Globe Underwriters Exchange of New York. Paine, Webber & Co. of New York City are the financial agents for the Globe. Edwin G. Seibels, well known insurance man in the south, is president of the holding company. The Globe Underwriters Exchange also controls the Southern Home of Charleston and Savannah Fire. It is

stated that it owns two German companies and is acquiring possession of other American companies.

Zurich Fire

The Zurich Fire has completed its organization and has been licensed in New York with capital of \$200,000 and surplus \$300,000. It will be operated in connection with the Zurich General Accident and will only write automobile insurance.

Columbia of Jersey City

Agents of the Columbia of Jersey City, formed in 1901, and one of the Phoenix of London group, have been notified of the increase in its capital to \$1,000,000, and the providing of a net surplus of in excess of that amount, making the policyholders surplus over \$2,000,000. This change in the Columbia's financial set-up is in keeping with the managerial policy for strengthening its resources and providing for business expansion.

Merchants & Manufacturers

The Merchants & Manufacturers Fire of New Jersey, one of the Corroon & Reynolds companies, proposes to increase its authorized capital to \$5,000,000. Stockholders will vote April 23. The plan involves the issuance of 200,000 shares at par value of \$5 each and 800,000 shares of common, also par value \$5 each.

Brooklyn Fire

The stockholders of the Brooklyn Fire voted to reduce the par value of shares to \$5 and exchange the stock on the basis of five new for one each of old. Corroon & Reynolds manage the company. The premium income was \$2,151,187.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

CORROON HEADS SYLVANIA

R. A. Corroon has been elected president of the Sylvania of Philadelphia succeeding Samuel W. McCulloch, who was formerly Pennsylvania insurance commissioner. Corroon & Reynolds control the company and have been managing it. George E. Roosevelt of the Roosevelt & Son investment house of New York and Charles H. Holland, president of the Independence Indemnity were elected on the board.

LUDLUM ON DENVER PROGRAM

Vice-President C. A. Ludlum of the Home of New York will be one of the speakers at the fourth annual convention of the Association of Fire Insurance General Agents at Denver, June 4-5. Mr. Ludlum will speak on "Qualifications of a General Agent."

LOSSES HAVE BEEN HEAVY

Owing to the heavy losses that fire companies have incurred on fireproof buildings in course of construction during the last three years, the New York Fire Insurance Exchange has advanced rates on this class. It has authorized a system of credits for safeguards, however, which will bring down the rates materially. In the past the rate has been 15 cents on buildings of 15 stories or less and 1 cent additional for each story above 15. The new rate is 25 cents per building for 25 stories or less and 1 cent additional for each story in addition to 25. While the charge per height was reduced one-half in the past when the building was enclosed and roofed, provided it was equipped with standpipes and with elevators and attendants, this reduction in the charge per height will hereafter be available before the building

is enclosed, provided the standpipes and elevator conditions meet the requirements. Among the buildings of this class that have suffered severe losses are the Hotel Pennsylvania, the Aeolian building, the Sherry-Netherlands hotel and Riverside Church, all in New York City, and the Foreman Bank building in Chicago. In case of all these losses the possibilities for a big loss were appreciated.

Under a series of rules recently adopted by the New York Fire Insurance Exchange for the rating of fireproof buildings in course of construction, a base rate of 25 cents is established, to which one cent is added for each story in excess of 25; the maximum charge to be 30 cents, providing protective facilities, embracing a dry line standpipe equipment, elevator or hoist hoists are ready for use at all times; combination fire alarm and central watch service; adequate supply of approved chemical extinguishers and a proper electric installation certificate be secured, a credit of 5 cents is granted. A reduction of 5 cents is likewise allowed if the scaffolding is freed of all combustible material and wall openings protected by incombustible sheathing.

FORM NEW HOLDING COMPANY

The Corroon & Reynolds Corporation has been formed in New York to acquire all the common stock and at least 60 percent of the preferred stock of the Knickerbocker Equitable Securities Corporation. The Knickerbocker was organized in 1923 as a holding company for the Corroon & Reynolds interests. It either has control or has a substantial interest in the American Equitable, Bronx Fire, Brooklyn Fire, Globe of Pittsburgh, Long Island Fire, Knicker-

avored
by
Many Property
Owners
because
of its
GOOD NAME



T. L. FARQUHAR
PRESIDENT

Western Department
Law and Hamilton
Managers

C H I C A G O

NEWARK
FIRE INSURANCE CO.

NEWARK - NEW JERSEY

True Today Also---

The following appeared in The National Underwriter ten years ago:

"Nowhere is the relative value of an ounce of prevention greater than in the precautions taken to protect a manufacturing plant from the ever present danger of destruction by fire; and it is the essential function of the underwriter to assist the manufacturer. The theory—that the underwriter has no responsibility—no concern about the conservation of the important part of the wealth of the country is shocking—the underwriter owes a duty to his country."

For years the Lloyd-Thomas organization has been emphasizing the responsibility of underwriters to manufacturers in arriving at *true insurable values*. For years Lloyd-Thomas has been aiding insurance men in properly ascertaining this value. The above reprint of ten years ago is simply what Lloyd-Thomas has been stressing for years.

"WHAT IS AN APPRAISAL?—It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

"ITS ADVANTAGES—1st—It discovers insurable values that have long been written off the books through unscientific depreciation—2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance."

The Lloyd-Thomas Co.

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES

APPRAISAL ENGINEERS

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Cincinnati
St. Louis
Denver
Washington
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Cleveland
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Los Angeles
Omaha

Detroit
Pittsburgh
Minneapolis
Atlanta
Berlin

Indianapolis
Memphis
Kansas City
Des Moines
London

TODAY

Buyers of insurance are demanding the best. Realizing this the Twin City Fire has developed until it is able to serve them completely and satisfactorily in all their insurance problems.

Writing fire, tornado, farm, automobile, hail, tractor and fur coat floater insurance in 33 states.

TWIN CITY FIRE
INSURANCE COMPANY
Minneapolis Minnesota

bocker, Liberty Bell of Philadelphia, Merchants & Manufacturers Fire of Newark, New York Fire, Metropolitan Fire of New York, Republic Fire of Pittsburgh, Sylvania of Philadelphia and Guardian Fire of New York. All these companies except the Liberty Bell and Guardian Fire are under the management of Corroon & Reynolds.

The Knickerbocker owns the capital stock of the Central Fire Agency, which represents 28 companies in New York City. These companies received \$11,196,974 in premiums in 1928 through this agency. The shares of the Corroon & Reynolds Corporation will be sold at \$100 per share, it being a \$6 dividend accumulative convertible preferred stock. The banking group marketing the stock consists of W. Wallace Lyon & Co., Merrill, Lynch & Co., Hunter, Dulin & Co., J. A. Sisto & Co., Chase Securities Corporation, Bancamerica Corporation, Bankers Company of New York and the American Trust Company. There are 125,000 shares of the 6 percent preferred, 125,000 shares not yet classified and 1,500,000 shares of common stock.

DIVIDENDS INCREASED

Fifteen companies increased their dividends during the first quarter of this year. The American Reserve went from \$3 to \$4, Bankers & Shippers from \$18 to \$20, Boston from \$13.30 to \$16; Globe & Rutgers from \$22 to \$24, Homestead from 60 cents to \$1, Importers & Exporters from \$3 to \$4, National Liberty from 87 cents to \$1.50, New Jersey from \$1.80 to \$2, St. Paul Fire & Marine

from \$4 to \$5. The Agricultural, Baltimore American, Fidelity & Casualty, Peoples National, Preferred Accident and Providence Washington declared extra dividends.

OCCUPIES HISTORIC SITE

A bronze tablet was unveiled last week on the site where Thomas Jefferson lived when he was first secretary of state. It was the celebration of the 186th birthday anniversary of the author of the Declaration of Independence in New York City, where Jefferson lived. The Monticello guards traveled from his native city, Charlottesville, Va., to New York City and brought an historic relic, Jefferson's gig, the one-horse carriage in which he rode from Monticello to Philadelphia in 1776 when he drafted the Declaration of Independence. The guards reached the corner of Maiden Lane and William street in New York City and instead of the building which Jefferson occupied, they found the modern home office building of the Home of New York. President Charles L. Tyner welcomed the members of the guards and received them as guests at the luncheon in the company's dining room in the building. President Tyner was assisted by Vice-Presidents C. A. Ludlum, Wilfred Kurth, Frank E. Burke, V. P. Wyatt, W. N. Bament and John A. Campbell. Delegations were present from the New York Historical Society, the Maiden Lane Historical Society, Insurance Institute and other associations.

AS SEEN FROM CHICAGO

WALLACE MADE PRESIDENT

F. D. Wallace of the Critchell, Miller, Whitney & Barbour offices at Chicago has been elected president of the Insurance Brokers Association of Illinois. Frank P. Lavin of J. I. Nathan & Co., is first vice-president. Fred P. Bracken is second vice-president. J. C. Shepherd was reelected treasurer. Clark E. Nolan was elected secretary to succeed Irving E. Read, who declined reelection because of his intention to move to Los Angeles in a short time.

OPPOSITION PARTY STRONG

The opposition will present the following strong ticket in the election of officers of the Association of Fire Insurance Examiners of Chicago at the annual meeting tonight (Thursday) in the H. & M. Men's grill: President, Fred W. Kersten, America Fore; vice-president, W. R. Owen, National of Hartford; secretary, Roy Wessendorf, Springfield; treasurer, Paul Magnuson, North America; directors, John T. Rowley, Great American, and A. G. Whittier, F. S. James & Co.

SAYS EXPENSE TOO HEAVY

W. Rufus Kendall of Chicago, attorney for the Pioneer Fire of that city, and former chief examiner for the Illinois department, is forcing the issue before Judge Fitch of the superior court in Chicago on the high cost of liquidating insurance companies by the previous director of trade and commerce, H. U. Bailey of Princeton, Ill. Mr. Kendall objects first to attorneys' fees amounting to \$17,500, paid Edward J. Hennessey as counsel for the liquidator of the Marquette National Fire and \$5,000 more that has been authorized by the liquidator but not yet paid out. Mr. Kendall claims that the attorney general should be the sole legal counsel for all executive state officials and that the amount paid for special counsel should be returned. The court had given authority for payment of extra attorneys' fees and Mr. Kendall now protests that this was illegal.

He also objects to the payment of \$1,000 a month for five months and \$600 a month for 16 months' salary paid to H. J. Bailey, brother of H. U. Bailey, as deputy receiver, this making \$16,200

for 21 months' service in liquidating the Marquette National. Furthermore, he objects to traveling expenses ranging from \$25 to \$100 every two weeks. He further protests against the expense of moving the liquidating office from Chicago out of the jurisdiction of Judge Fitch of Princeton, Ill.

WHITEHEAD MADE MANAGER

Bert P. Whitehead has been appointed manager of the Chicago office of the Employers Reinsurance. He has been in charge of claim work in the office for the last two years. He succeeds Jack Woodhead, who has been made manager of the branch the company has opened in the Roosevelt building in Kansas City, Mo. Mr. Woodhead was Chicago manager for 15 years.

HOLD 11 INSPECTIONS IN MARCH

As shown by the records of the fire prevention department of the Western Actuarial Bureau, there were 11 town inspection and educational campaigns conducted by the state fire department associations in central western territory during March, in which 318 fieldmen participated. Of the 2,457 risks inspected, 2,015 or 86 percent, were criticized, a total of 8,682 defects being discovered.

In connection with the several campaigns carried on last month, 89 addresses were made, of which 77 were before 25,884 children, 12 to 1,363 adults.

Invitations for the inspections were received from local Chambers of Commerce, business men's organizations, Rotary, Kiwanis and Lions clubs, and other civic bodies.

FIRE ASSOCIATION RALLY

President J. W. Cochran, Vice-President John M. Thomas of the Fire Association and Vice-President C. C. Wright of the Constitution Indemnity were at the western office in Chicago this week, where a conference was held for the field men. Manager A. F. Powrie was in charge of the meeting.

FIELD MEN MEET

E. C. H. Durham, general manager of the London Assurance, and John H. Packard, United States manager, were in Chicago from Wednesday to Friday last week for a meeting of the com-

pany's middle western state agents. The company's 1928 operations in the territory were checked over, and its operation in 1929 were discussed.

CAPITAL INCREASE APPROVED

The Illinois department has approved the amended charter of the Chicago Fire & Marine, increasing its capital from \$500,000 to \$1,500,000.

CASHIEL WELL ESTABLISHED

John R. Cashiel, western manager of the Providence Washington, Virginia Fire & Marine and Anchor of Providence, attended the Western Union meeting at Philadelphia after paying a visit to Ohio. Mr. Cashiel is now established in his new position. The western department of the three companies is one of the progressive ones in the west.

ARENS GETS SERVICE MEDAL

George A. Arens of Chicago, state agent of the North America in northern Illinois, was presented with a 25-year service medal by Manager C. R. Tuttle the other evening at a dinner. Mr. Arens is one of the veteran field men of the state, is a hard worker, conscientious and faithful. Mr. Tuttle paid high tribute to Mr. Arens' splendid work in his presentation.

IS C. OF C. DELEGATE

Charles Ward Seabury of Marsh & McLennan of Chicago has been chosen as one of the delegates to the annual meeting of the United States Chamber of Commerce to be held at Washington starting April 29.

COMMENT ON STOCK MARKET

Warren S. Conn of Lewis-Dewes & Co. of Chicago comments as follows on the insurance stock market trend:

Trading in the insurance stock market during the past week was very light. In the main price changes were very narrow. There was a trend upward on the part of the Hartford stocks, as evidenced by the following:

	April 9	April 16
Aetna Casualty	1825-1875	1900-1925
Aetna Fire	770-780	785-800
Hartford Fire	1080-1090	1090-1110
Travelers	1880-1900	1900-1920

This strength in the Hartford market was undoubtedly caused by the proposed reduction in the par value of practically all these stocks. Many of the bills have passed the general assembly, and several have received the signature of the governor. As soon as it is practicable, stockholders will be asked to approve the reductions, in most cases to a par of \$10.

The advantages to be derived from this move are many, accruing to the stockholder, the agent, and to the company. It has been thoroughly demonstrated that a wide distribution of stock ownership is desirable. The utilities companies were among the first to promote it among their consumers. A low par stock is within the reach of the man of moderate means, and will attract a large number of agents to become part owners of the company which they represent. This tends to produce a better knit organization. The stockholding agent is permitted to share in the prosperity of the company. Wider distribution will also make for a stability of market values, as there will be a great deal less congestion of market, which has more than once caused serious but temporary breaks in the market of the higher priced stocks.

The public will not long overlook the present low level of the insurance stock market. It is predicted that a much better and more active trading will develop shortly.

Robert W. Faulkner, one of the veteran Chicago agents, died last week. Mr. Faulkner was formerly connected with the old agency of Straight & Lyman. Later he formed a partnership with David F. Ettelson, the firm name being Faulkner & Ettelson. For some years he has held his Class 1 board membership but has been practically a broker.

W. M. Murray of Jens Murray & Co.,

CONVENTION DATES

May 8—Kansas Insurance Day, Topeka.
May 9—Pacific Board, Del Monte, Cal.
May 8-10—Western Insurance Bureau, Richmond, Va.
May 9-10—Texas Agents, Mineral Wells.
May 9-10—Louisiana Agents, Baton Rouge.
May 13-16—National Fire Protection Association, Memphis.
May 14—Vermont Agents, Burlington.
May 17-18—Arkansas Agents, Little Rock.
May 21-22—New York Agents, Syracuse.
May 21-22—Pennsylvania Insurance Federation, Allentown.
May 22-23—Nebraska Agents, Burlington.
May 22-23—North Carolina Agents, Charlotte.
May 24-25—Georgia Agents, White Sulphur Springs.
June 3-5—Insurance Commissioners (spring meeting), Chicago.
June 4-5—Association of Fire Insurance General Agents, Denver.
June 4-6—Health & Accident Underwriters Conference, Chicago.
June 19-20—Minnesota Field Men, Pequot.
June 25-26—Illinois Field Club, Lake Delavan, Wis.
June 25-26—Illinois State Board, Lake Delavan.
June 26-27—Wisconsin Bureau Field Club, Egg Harbor, Wis.
July 10-11—Ohio Field Club, Cedar Point.
July 10-11—New England Agents, Bretton Woods, N. H.
Sept. 17-19—Insurance Commissioners Convention, Toronto.
Sept. 10-13—National Association of Insurance Agents, Detroit.
Sept. 24-26—Blue Goose Grand Nest, San Francisco, Cal.
Sept. 30-Oct. 5—National Safety Congress, Chicago.
Sept. 30—Casualty Conventions, White Sulphur Springs.
Oct. 6-8—Insurance Advertising Conference, Cleveland.

PROGRAM FOR N. F. P. A. MEETING AT MEMPHIS

The National Fire Protection Association will hold its annual meeting at Memphis May 13-16. The first day will be devoted to registration, technical committee meetings and welcome to the city.

At the Tuesday morning session of the chamber of commerce and safety council section, the following papers and addresses will be given:

"Are Chambers of Commerce Interested in Fire Prevention?"—Terence F. Cunneen, manager insurance department, United States Chamber of Commerce.

"The Fire Chief's Views of a Community Fire Prevention Program."—Chief J. T. Speddy, Lakewood, Ohio.

"Fire Protection for Municipal Airports."—H. E. Newell, National Board.

"The Memphis Method of Protecting Public Buildings."—Capt. C. P. Remy, Memphis fire department.

"The Dallas Fire Prevention Campaign."—A. L. Ruebel, chairman fire prevention committee, Dallas Chamber of Commerce.

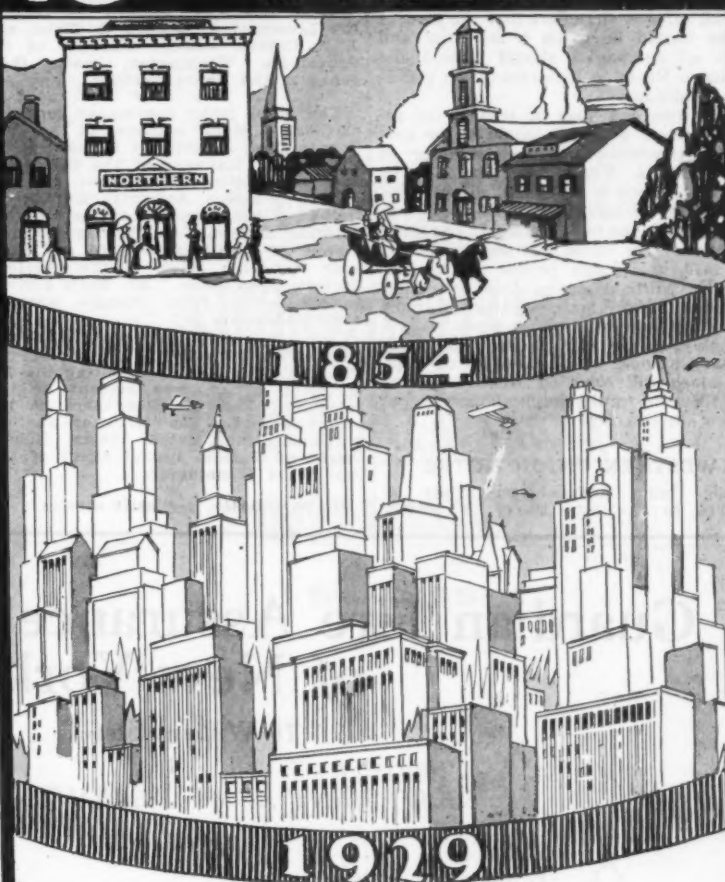
"Fire Prevention in the Schools."—Olga Juniger, state insurance commission, Austin, Texas.

The sessions of Tuesday afternoon, Wednesday morning and Thursday forenoon and afternoon will be given over to reports of technical committees. The fire marshals' section will hold a closed meeting on Tuesday evening. Wednesday afternoon will be devoted to an automobile trip to a cotton compress and other points of interest. A dinner and entertainment will be held on Wednesday evening. The final business session will be held Thursday afternoon.

Chicago local agents, has returned to his office after a siege with influenza and bronchial pneumonia.

Pleasure is a shadow, wealth is vanity and power a pageant; but knowledge, is ecstatic in enjoyment, perennial in fame, unlimited in space and indefinite in duration.—De Witt Clinton.

75th ANNIVERSARY IN THE U.S.A.



Keeping
Step
with the
March of
Progress

Sky Lines!

NEW buildings are always going up, changing our skylines. The Northern seeks its share of all new skyline insurance, and its policies continue to be the bed-rock of protection in 1929 as in 1854.

The Northern keeps step with other new lines, for instance, Aircraft Damage Insurance.

Skylines or Side Lines,
the Northern writes them.

**NORTHERN ASSURANCE
COMPANY LTD. of LONDON**
80 JOHN ST. NEW YORK

Pacific Coast Dept.
114 Sansome St.
San Francisco Cal.



Marine Dept.
Wm. H. McGee & Co.
11 S. William St. N.Y.

WESTERN UNION TO BE MORE RIGOROUS

(CONTINUED FROM PAGE 5)

and what, if any, changes were desired. Mr. Palmer gave a very convincing talk. There was an expression heard on all sides to the effect that the present rules should be given a fair trial and that all companies should uphold the Chicago Board in its endeavor to stabilize conditions.

The time and place of holding the annual meeting were left jointly to the governing committee and the committee on arrangements. The regular time as set by the constitution is the second Tuesday of September. Unanimous consent, however, was given to the two committees to change this time. The Union was organized Sept. 23, 1879, in Chicago, Jerome F. Downing of the North America being the first president. Many hope, therefore, that the meeting can be set for that week. It will probably be the plan to hold the anniversary banquet on the evening of Sept. 23, which will come on Monday evening and then the regular business meeting can follow the two days afterwards.

WESTERN UNION NOTES

The Union adopted memorials in tribute to the late Harry A. Smith,

president of the National of Hartford, and the late Charles D. Dunlop, president of the Providence Washington.

There were two Palmers present, R. A. Palmer of Atlanta, southern manager of the Fire Association, and Ernest Palmer, manager of the Chicago Board.

M. H. Grannatt, western manager of the Liverpool & London & Globe, and J. R. Cashel, western manager of the Providence Washington, made their debut at the Union meeting.

The hotel lobby contingent consisted of Clark J. Munn, manager of the Cook County Loss Adjustment Bureau; H. M. Carmichael, manager of the Oil Insurance Association; J. V. Parker, manager of the Western Actuarial Bureau; J. Barbour Gray, manager of the Uniform Printing & Supply Co.; Manager Ernest Palmer of the Chicago Board, and Manager Randolph Buck of the Western Factory Association. Mr. Buck arrived on Wednesday from Chicago, wearing a red carnation.

Vice-President E. T. Cairns of the Fireman's Fund, who is visiting the department offices, was present at the meeting. While he was there he received news of the birth of another grandchild, the father being Robert Cairns of Boston, special agent of the Providence Washington.

H. W. Chesley, assistant secretary of

the governing committee, is a very useful man at Western Union meetings. He looks after all the details of arrangements, getting committees together and rendering services of many kinds.

Vice-President Alfred Stinson of the Automobile had a formidable delegation present, there being present Secretary Olaf Nordeng, Secretary E. J. Perrin and Assistant Secretary W. S. Hart.

Vice-President C. A. Ludlum was not able to be at the meeting until Wednesday. This was the first time Mr. Ludlum had not been present when the proceedings started in many a year.

Walter L. Maillot, vice-president of the Fire Association, was the official golf host. Some of the brethren mobilized at the Huntington Valley Club Sunday as guests of Mr. Maillot. Others played there Monday. Mr. Maillot proved to be a most popular entertainer.

Vice-President C. H. Roloson of the Central Fire of Baltimore attended the meeting.

President W. H. Koop of the Great American group spent a day in Philadelphia attending the meeting, being taken in tow by Vice-President and Western Manager C. R. Street.

C. F. Shallock, manager of the North British & Mercantile, was present for

the first time in many meetings. He was accompanied by Western General Agent Mouk.

G. F. Krumdick, Philadelphia manager of the General Adjustment, hobbled in the hotel lobby with officials and former field men of the northwest with whom he was associated in days gone by.

Herbert Oppenheim of the Sol Moyses & Co. agency at Chattanooga, Tenn., spent a little time at the hotel en route home after having been visiting in the east.

President W. B. Flickinger was instructed to send a telegram of greetings to H. T. Lamey of Denver, the oldest member of the organization in point of continuous service. He was asked to be present at the golden anniversary meeting.

Milton Dargan of Atlanta, former southern manager of the Royal, who was elected an honorary member, was present and spoke briefly.

Four of the oldest members in point of continuous membership were present. H. T. Lamey, a general agent of Denver, is now the dean of the members, his membership dating from 1891. Joseph A. Kelsey, manager of the Tokio, comes next. Trezevant & Cochran, the general agents of Dallas, are third. D. Cliffe Stone, general agent at Nashville, is fourth. Charles W. Higley, president of the Hanover, and Charles E. Dox, western manager of the London & Lancashire, follow. Mr. Kelsey, Mr. Stone, Mr. Higley and Mr. Dox were present.

COURT ORDERS REFUND OF EXCESS PREMIUMS

(CONTINUED FROM PAGE 5)

losses and expenses incurred, but differs from the majority opinion of the Missouri supreme court and instead follows the dissenting opinion of Judge Ragland in that it holds that interest on unearned premiums shall not be counted as income. The court also held that excess premiums in St. Louis are properly considered as expenses.

According to William S. Hogsett, one of the attorneys for the insurance companies, the 41 companies are going to prosecute their cases. With the evidence which they have to offer they expect to set aside the reduction order, showing that it is confiscatory as to them. The attorneys for the companies, Mr. Hogsett says, have gone over the figures and in every instance it would be impossible for the company to operate in Missouri under the reduced rate.

As to the action of the remaining companies, Mr. Hogsett says the opinion is being printed and will be sent to the companies along with the opinion of counsel as to the company's status, and each one will have to decide for itself whether it will refund the excess premiums and renew the application for an injunction, or whether it will appeal to the Supreme Court of the United States from the order as it now stands. They have until May 15 to decide.

The amount of money involved is estimated at approximately \$15,000,000, although the fact that the order is effective only from February, 1928, for the 41 companies makes a considerable reduction in the amount to be returned to the policyholders.

The temporary injunction granted to the 41 companies was conditional upon the following as stated by the court: "That each plaintiff deposit quarterly with the registrar of this court 10 percent of all premiums collected after entry of this order, (April 13) until further order of this court, together with full names and addresses and amounts paid by the premium payments, provided that if a depository in Kansas City is selected by the companies, which shall be acceptable to this court, the funds deposited hereunder may be placed in such depository.

"That each plaintiff shall file unequalled consent and authority that this

Guardian Fire Assurance Corporation of New York

76 William Street

STATEMENT AS OF DECEMBER 31, 1928

ASSETS

Bonds and Stocks.....	\$7,124,664
Premiums Receivable	353,387
Interest Accrued	9,458
Cash on Deposit	425,569
	<hr/>
	\$7,913,078

LIABILITIES

Reserve for Unearned Premiums.....	\$2,513,856
Reserve for Losses	372,303
Reserve for all other Liabilities.....	91,707
Voluntary Reserve for Contingencies.....	1,250,000
Capital	\$1,500,000
Surplus	2,185,212
	<hr/>
Surplus to Treatyholders.....	3,685,212
	<hr/>
	\$7,913,078

3-Year Progress

<i>Assets</i>		<i>Surplus to Treatyholders and Voluntary Reserve</i>		<i>Unearned Premium Reserve</i>	
1926.....	\$3,219,319	1926.....	\$1,558,253	1926.....	\$1,401,352
1927.....	5,205,907	1927.....	2,846,702	1927.....	1,983,990
1928.....	7,913,078	1928.....	4,935,212	1928.....	2,513,855

Fire Reinsurance

ROBERT VAN IDERSTINE, President

H. ERNEST FEER, Secretary

court may order the clerk to transmit such funds to the premium holders as repayment of their premiums, should the plaintiffs fail to win their case (on appeal).

"That the plaintiffs will pay to the court any expense incident to the collection and impounding of this money, to the end that the premium payers (policyholders) may be repaid in full if plaintiffs fail to win the case.

"That each plaintiff shall file a bond to the amount equal to 10 percent or the extra premium collected of all premiums collected between February, 1928, and the date of this order."

Method of Calculation Important

Attorneys for the insurance department believe that the recent decision has a sweeping and far-reaching effect. Their statement is as follows:

"The important question in all insurance litigation is the method of calculation to be used in determining the experience of insurance companies. Prior to the fire-rate trial in question in Missouri, the matter never had been determined in the United States except in one Arkansas case, the case of State ex rel. vs. Bullion, in which, being a three-to-two opinion, the supreme court of Arkansas held that the method of premiums earned and expenses and losses incurred should be used as the basis of calculation.

"In the Missouri case the supreme court of Missouri decided with the state that the method of premiums received and expenses and losses paid should be used as a basis for calculating the experience of companies doing the business of fire, lightning, hail and windstorm in this state. The United States Supreme Court did not pass on the question, as it held no federal question was involved and dismissed the writ of certiorari theretofore granted by it.

Will Affect All States

"The three-judge federal court passing upon the injunction proceedings brought subsequent to the original suit in Missouri decided that the state's method of calculating on the basis of premiums received and expenses and losses paid was the proper method to use for the calculation of experience of fire insurance companies in Missouri.

"The importance of the method of calculation can be observed when it is remembered that should this decision of the three-judge federal court be sustained in the Supreme Court, it will affect the calculation of rates in every state in the Union where there is a rating act. At present there are rate contests in Kansas, Kentucky, Virginia and other states, and those contests will all be affected by the decision as to method of calculation. The method sustained by the federal court today clearly increases the premium volume and reduces the volume of losses and expenses which furnish the basis of calculation for the experience of companies. Should this decision be sustained by the Supreme Court of the United States, it means the repayment to the policyholders of Missouri of at present about \$15,000,000, in excess collections of premiums in fire, lightning, hail and windstorm since November 15, 1922. It likewise means that should those companies which were not in the original litigation in Missouri continue their litigation in the matter of injunction and losses, they will be required to pay back all excess collections to the policyholders of Missouri, since the federal court required that from May 15, 1929, every dollar of excess collections in the matter of premiums had to be impounded with the registrar of the federal court and the repayment of excess collections from February, 1928, up to May 15, 1929, shall be secured by a bond filed with the federal court by each of those companies covering the entire amount."

AGENTS BACK COMPANIES

LOUISVILLE, KY., April 17.—News of the federal judges' decision in

the Missouri rate case last week, has been widely discussed among agents and field men in Kentucky, as the cases are paralleled in many respects. However, it is felt that the decision in Missouri is not going to help much in solving the Kentucky case.

There have been rumors for the past several weeks that another conference would be arranged shortly for the purpose of trying to reach a compromise agreement in the company suits for a 12½ percent increase in Kentucky, and while something appears to be brewing, no announcement has been made of any meeting arranged so far.

Local agents, who for some time were not showing much interest in the company arguments for increased rates, are now behind the companies, and more are coming over, as a result of their share of the 12½ percent increase in premiums gradually mounting up to figures.

NO HELP TO KANSAS SITUATION

TOPEKA, KAN., April 17.—Judge J. G. Egan, assistant attorney-general of Kansas in charge of the fire insurance rate litigation, began work this week developing the Kansas case in the federal court almost as if the Missouri case had not been decided by three federal judges last Friday. Action in the Kansas case has been delayed while the decision in the Missouri case was in the making and now that it has come the decision was of such a nature that it does not help the Kansas lawyers.

Judge Egan is preparing a motion asking the United States district court of Kansas to rule on the question of res adjudicata. The state contends that the Kansas case has been determined thoroughly and that the companies have no right in the federal court. The Missouri attorney-general raised the same point in that case but the federal judges made no ruling on it.

Group Not Required

Another point which is different in Kansas than in Missouri is the law relating to the rate litigation. In Missouri the law requires the companies to make the fight as a group. In Kansas it may be made either in a group or as individual companies. The companies voluntarily tried the Kansas case as a group and the state contends that they have no business in the federal court now.

The Missouri decision upheld the contentions of the Kansas and Missouri rate making bodies as to the theory of insurance rates except on the investment earnings. The Kansas and Missouri state courts were in accord on the same proposals except as to the investment earnings.

Judge Egan hopes to have the motion on the res adjudicata question heard late this month and a decision rendered so that a special master to take the evidence in the Kansas case can be appointed before the summer vacations and the evidence may be submitted before the fall terms of court begin.

COMMISSIONERS TO MEET IN CHICAGO

RICHMOND, VA., April 17.—The executive committee of the National Convention of Insurance Commissioners of which Ray Yenter of Iowa is chairman will meet at the Edgewater Beach Hotel in Chicago the first week of June, according to Joseph Button of Virginia, secretary of the convention. Colonel Button says that this will be practically equivalent to a spring meeting. A number of other committees are expected to meet there at the same time. The executive committee will frame the program for the annual meeting to be held at the Royal Park Hotel in Toronto, Canada, Sept. 17-19, and will also hear a report from the committee on blanks. The exact date for the Chicago meeting has not yet been fixed, but Colonel Button expects to be able to announce it shortly. The date will probably be June 3-5.

AMERICAN AUTOMOBILE INSURANCE COMPANY

ST. LOUIS

L. A. HARRIS
PRESIDENT

ALL KINDS
of INSURANCE
on AUTOMOBILES

Capital & Surplus . . . Over 3,500,000.00
Reserves Over 8,500,000.00
Total Assets (Jan. 1, 1929) Over \$12,500,000.00

THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

Published every Thursday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Mgr. GEORGE C. ROEDING and O. E. SCHWARTZ, Asso. Mgrs.

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SAN FRANCISCO OFFICE:

105 Montgomery Street, Tel. Kearny 3399, FRANK W. BLAND, Resident Manager

Entered as Second-class Matter February 24th, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879

Subscription Price, \$4.00 a year; in Canada, \$5.00 a year. Single Copies 20 cents
In Combination with Life Insurance Edition, \$5.50 a year; Canada \$7.50

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Result of "The Criminal Cigarette"

IN times gone by some one originated the term, "The Criminal Cigarette." Even when the cigarette was regarded as one of the prolific and insidious causes of fires in years gone by, the practice of cigarette smoking had not reached the extent which it has now. Today the cigarette is one of the chief causes of fires numerically. In addition there, undoubtedly have been heavy losses due to fire originating from a smoldering pill. Recently, for example, the fire in the Bal Tabarin, connected with the Hotel Sherman in Chicago, is supposed to have been due to a cigarette that had been carelessly flipped near some drapery by a youngster who was attending a fraternity banquet in this festive place.

Recently in Los Angeles at the automobile show a cigarette brand alighted in just the right spot to burn \$1,500,000 worth of property, chiefly automobiles, valuable rugs and furniture. Thousands of lives

were in jeopardy because of this. At Fort Worth, Tex., where the annual stock show and exposition was in progress a cowboy threw a lighted cigarette in a pile of hay at the door of one of the main exhibition buildings. Some one fortunately saw it and trapped it out before it got beyond control.

Today insurance companies in studying their loss reports find "a lighted cigarette" given all too frequently as the cause of loss. Whether anything can be done to curb this great menace remains to be seen. The individual element is very much in evidence. Many take a last puff at the cigarette, throw it in a nonchalant fashion, caring seemingly little where it lights. Hundreds of thousands of dollars in property are burned every year because of "the criminal cigarette." Hundreds of lives are placed in jeopardy no doubt because of this carelessness.

Claims Service Big Factor

OFFICERS of newly formed casualty and surety writing companies appreciate that with practically standard forms of coverage in the majority lines, uniform rates and clearly defined commissions to general, regional and district agents, their plea for support must rest largely upon the measure of service they are able to render their representatives in the solicitation and handling of business, and the treatment afforded assureds who may become claimants. As a consequence wideawake managements insist that every possible facility that will prove helpful be accorded to the field staff and that claims be promptly dealt

with and, if meritorious, settled fairly, thereby gaining the good will of the producers and their clients.

The great majority of the established companies long since recognized the wisdom of honest and courteous treatment of their assureds and have prospered because of it. On the contrary the few institutions that pursue the opposite course, being dilatory and highly technical in the interpretation of policy conditions, soon lose, as they deserve to, the confidence of their agents and clients and eventually are forced either to a radical change in managerial policy or find a fitting end in receiverships.

Should Be Master of Ideas

THERE is much in endeavoring to master something more than the details of a position. Back of every position there are ideas. The men who

are going forward aim to master these ideas. Those who are willing merely to master details overlook the ideas back of them.

George Horace Lorimer's Advice

GEORGE HORACE LORIMER in "Old Gorgon Graham" gave some homely observations and yet there is a lot of truth in what he says. Mr. LORIMER said, "Look in a man's eyes for hon-

esty; around his mouth for weakness; at his chin for strength; at his hands for temperament; at his nails for cleanliness." These tests will work out in a large number of cases.

PERSONAL SIDE OF THE BUSINESS

A. B. Roome, who recently resigned as vice-president of the Independence Fire, has been confined to his home at Wynnewood, suburb of Philadelphia, the past week, critically ill. However, his condition is not grave and he expects to be out and up again within a few days.

William D. Kershaw, oldest employee of the Home of New York in point of service, died last week at his home in Bayside, L. I. He was in his 79th year.

George W. Cleveland, who was formerly manager of the Cincinnati Inspection Bureau and later the Michigan Inspection Bureau, died in Detroit from pneumonia a few days ago. Since leaving the Michigan Inspection Bureau about five years ago Mr. Cleveland had been engaged in the bond business. While he was in the bureau he ranked high and was well liked.

Mr. Cleveland was 64 years of age. He was born in Cleveland. He attended the Case School of Applied Science. He specialized in electrical engineering and engaged in fire prevention work. He went to Detroit in January, 1917, as manager of the Michigan Inspection Bureau. He was one of the founders of the Perch Creek Hunting club of Saginaw.

Charles F. Kees, prominent local agent of Cleveland and a trustee of the Cleveland Insurance Board, has just returned from Florida, where he was sojourning for his health. Mr. Kees underwent a serious operation early in the winter but has now fully recuperated and is back in his office in good health.

W. B. Neal, for more than a quarter of a century a special agent of the Connecticut Fire in the New England field, died this week at his home in Newton, following a long illness, at the age of 72. He was a native of Maine, formerly had a local agency in Gardiner, Me., and in 1898 went with the Connecticut Fire as general agent for Maine, New Hampshire, eastern Massachusetts and Rhode Island territory. He was a member of the New England Insurance Exchange and its vice-president in 1919. He retired from active work in 1925.

Charles E. Chase, chairman of the board of the Hartford Fire, captured the limelight last week in being the first Hartford executive to buy a copy of the Hartford "Courant" from the Junior League, which undertook the sale of a special edition. Mr. Chase was photographed in front of the Hartford Fire building and given extended publicity in all of the Hartford newspapers.

John R. Dumont, formerly insurance commissioner of Nebraska, now manager of the Interstate Underwriters Board of New York City, made the trip from Lincoln, Neb., to New York by automobile, taking Mrs. Dumont and his son. On the way he stopped to pay his respects to the insurance commissioners of Missouri, Illinois, Indiana, Ohio and Pennsylvania.

Carl B. Larson, father of Lawrence C. Larson, superintendent of agents for Fred S. James & Co., died last week in Chicago.

Harvey W. Russ of New York, general adjuster of the National Board, died of heart disease at Atlantic City last week. He had been ill at his home for about a month. Two weeks ago he went to Atlantic City. He was regarded as one of the loss authorities in the country. Mr. Russ started his insurance career as a boy with the C. B. Armstrong agency of Buffalo in 1888. He then went in the field for the C. L. Abell general agency which had the German of Freeport in New York. Later he became state agent for the Svea in New

York and Pennsylvania. He decided to learn adjusting and started with the Philadelphia office of the General Adjustment as staff adjuster. He was transferred to Syracuse as manager and then became Pittsburgh manager.

When the Western Insurance Bureau decided to organize the Underwriters Adjusting Company Mr. Russ was chosen to organize it and became its first manager. He moved to Chicago and was manager of the organization until 1921 when he resigned to become manager of the General Adjustment of Boston. Later he was called to the head office at New York as assistant manager.

About two years ago the committee on losses and adjustments of the National Board decided to have an investigation of adjustment conditions throughout the country. Mr. Russ was engaged to undertake this work. After he had completed the task and made his report he was put in charge of the bureau established by the National Board to systematize adjustments. He was one of the big factors in connection with the adjustment business, was absolutely square and honest and a man of good judgment.

A. W. Williams, head of the Ohio Valley News Service at Louisville and well known insurance newspaper correspondent, has been appointed a colonel on the staff of Governor Sampson of Kentucky. He is an aide-de-camp. This appointment is in recognition of Mr. Williams' commercial, industrial and technical reporting for the trade press and thus aiding Kentucky progress. Mr. Williams is a correspondent of THE NATIONAL UNDERWRITER.

Carroll L. Rowe, well known throughout northern New England, where he had for several years served the Springfield Fire & Marine as a special agent, died in Rochester, N. Y. last week at the age of 32.

Mr. Rowe was born Aug. 16, 1894, in Springfield, Mass., and went with the Springfield Fire & Marine as a clerk on July 1, 1914. He was appointed assistant special agent to Murray S. Bradish for Maine and New Hampshire in 1923. Later he was made special agent for Vermont and New Hampshire.

In 1927 Mr. Rowe was transferred to western New York state with headquarters in Rochester.

Charles P. Butler of Syracuse, N. Y., has been appointed counsel for the New York insurance department. He has been prominent in politics, is a graduate of Vermont University and Cornell, he is Democratic district chairman and has a large law practice.

The remains of Thomas R. Coates, who perished in the Kirkwood hotel fire in Des Moines, were taken to Dodgeville, Wis., his old home, for interment. He was well known among the hail underwriters of the middle west. For a number of years he was in the mutual hail business in various states west of the Mississippi. In 1919 he took a position with W. S. Hazard, Jr., vice-president and manager of the hail department of the Hawkeye Securities Fire of Des Moines. He was special agent and chief adjuster. His duties were supervising the work of the various adjusters. Since 1925 he acted as hail adjuster for some of the stock companies, including the Hartford Fire and Great American.

He was recognized as a man of great ability and industry. One of his friends, in commenting on his death, said that Mr. Coates was the kind of an adjuster who always felt that he was spending his own money if the assured tried to secure more for a loss than he was really entitled to. He handled the adjustments exactly as though he were spending his own funds. He was always counted fair in his work.

INSURANCE IN INDUSTRY

A LACE-WORK of air lanes is fast covering the whole continent. Aviation is adding another chapter to the romantic story of great American Industries.

And Insurance is assuming the responsibility of protecting against the numerous hazards that arise in its progress. Front ranking companies like the American Eagle are already writing aviation insurance in all its branches.

Again is sound stock fire insurance fostering business development by safeguarding our newest and most romantic industry of them all.

AMERICAN EAGLE FIRE INSURANCE COMPANY EIGHTY MAIDEN LANE, NEW YORK, N.Y.

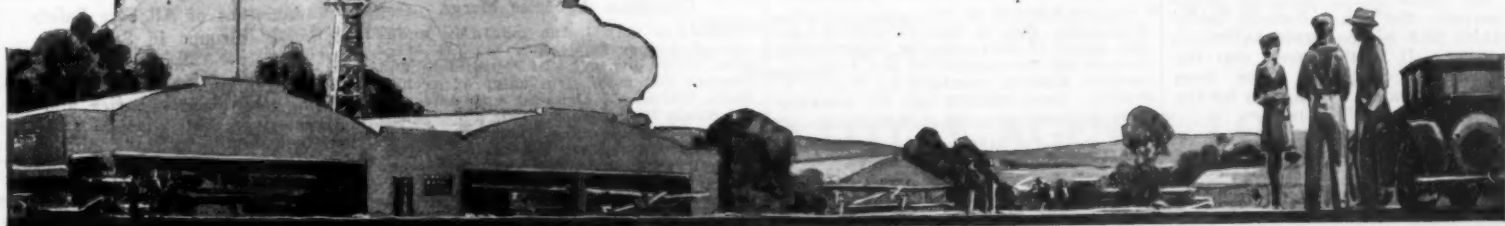
ERNEST STURM, Chairman of the Board.
PAUL E. HAID, President.

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New York - Chicago - Dallas - San Francisco



"AMERICA FORE"



FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

WEST VIRGINIA POND MEETS

R. E. Mullin Elected to Head Blue Goose at Annual Meeting in Charleston

CHARLESTON, W. VA., April 17.—R. E. Mullin was elected most loyal gander of the West Virginia Blue Goose at the annual meeting in Charleston last week.

Other officers are B. L. Gregory, supervisor; G. K. Taylor, custodian; L. G. Jeffries, guardian; E. Eagar, keeper. All officers of the pond reside in Charleston.

Mr. Gregory was elected delegate to the grand nest meeting in San Francisco, and the election of an alternate was left in the hands of the executive committee in the event of Mr. Gregory's inability to attend.

Want Receipts for Premiums

About 60 members were present for the business meeting and the banquet which followed. R. W. Hukill, deputy most loyal grand gander, represented the grand nest at the meeting.

Mr. Hukill addressed the pond on the group life insurance plan and on the relief fund. In a discussion, following the business meeting, the point was brought up that in connection with the group life insurance plan a receipt should be received from the company giving the coverage, rather than considering the canceled check for the amount of the premium as the receipt, as indicated previously. The members felt that very often a check goes astray and that this might lead into considerable difficulty in the case of a sudden death.

Distinguished Guests at Banquet

Guests at the banquet included R. P. DeVan, president of the National Association of Insurance Agents; Mr. Hutchinson of the Viking Sprinkler Equipment Company, and Edgar Lawson, insurance commissioner of West Virginia, all of whom gave interesting talks.

CLASSIFICATION OF RETURNS

Outside Companies Have Been Creeping Up on the Organization Group in West Virginia

CHARLESTON, W. VA., April 17.—The insurance department has compiled the figures for fire insurance companies operating last year. In view of the fight waged in this state between the companies belonging to the West Virginia Uniformity Association and the outsiders and the attack of the West Virginia Association of Insurance Agents on the separation plan of the uniformity association, the figures take on new significance. The premiums written by the non-uniformity companies have been gaining. In 1926 the uniformity companies wrote 81.1 percent, the non-uniformity 15.1 percent and the mutuals and reciprocals 3.8 percent. In 1927 the uniformity companies wrote 77.3 percent, non-uniformity stock companies 18.8 percent and the others 3.9 percent. Last year the uniformity companies wrote 75.4 percent, the non-uniformity stock companies 20.2 percent and the others 4.4 percent. It is thus seen that the non-uniformity companies have been gaining in the state. The figures for the three years are as follows:

	1926	1927	1928
Premiums written by Uniformity Companies	\$7,891,225	\$7,344,037	\$6,696,878
Non-Uniformity Stk. Cos.	1,470,308	1,789,456	1,790,978
Others	369,814	370,433	387,569
Total	\$9,731,347	\$9,503,926	\$8,875,425

SAYS SITUATION IS IMPROVED

Vice-President George C. Long of the Phoenix of Hartford Gave West Virginia Report

At the meeting of the Western Union George C. Long, Jr., vice-president of the Phoenix of Hartford, gave a report on West Virginia conditions, entering into some detail as to the fight put up against the West Virginia Uniformity Association by a coterie of agents that were deemed radical. Mr. Long deprecated the position taken by many of the West Virginia agents in the effort to block uniformity and to stabilize conditions. He felt that the backing of the anti-compact bill by the West Virginia Association of Insurance Agents was of a most insidious and dangerous tendency. He said, however, that with the defeat of this legislation and the fact that a number of companies which had been outside, the uniformity association had joined made it possible to put the commission rule into effect. He stated that a large number of the agents have now signed the new contract receiving 20 percent flat and not having any non-uniformity companies in their offices.

NOTABLE SPEAKERS FOR CINCINNATI BANQUET

Arrangements are being completed for the banquet to be held by the Cincinnati Fire Underwriters' Association to commemorate the 91st anniversary of the founding of the local board in Cincinnati. The banquet will be held April 25. Among the speakers will be S. C. Younger, Ohio superintendent of insurance; R. P. DeVan, president of the National Association of Insurance Agents, and Murray Seasongood, mayor of Cincinnati. Two or three other speakers representing fire and casualty are expected to accept invitations.

Representatives of Cincinnati civic organizations are accepting invitations to attend. W. E. Earls, president, will preside as toastmaster.

Speaks to Cincinnati Agents

Allen Tow, A. L. Clemons and E. Jay Wohlgenuth were speakers at the monthly meeting of the Cincinnati Fire Underwriters' Association. Mr. Tow spoke on fidelity bonds. He said the regular forms of fidelity bonds are about one-third the length of ordinary insurance forms and could be easily understood both by the agent and client. Agents find the business profitable because it stays on the books when once written. It is not vigorously solicited and is an essential coverage for adequate serving of clients.

Mr. Clemons outlined briefly the coverage of a number of inland marine forms. He said that there are at least 132 different ones for which have actually been used at one time or another.

Mr. Wohlgenuth, president of THE NATIONAL UNDERWRITER, reviewed some Cincinnati insurance history.

Agent Held for Grand Larceny

CHARLESTON, W. VA., April 17.—The Manhattan Fire & Marine sent a special agent to Fairmont, W. Va., in 1926 to take up its supplies in the Acme Insurance Agency, managed by Walter F. Foster. Some months ago the company

discovered that policies existed of which it had no record. A check-up disclosed that 25 blank policies had not been turned in by Foster and that some of them had been issued. The company recently reported the facts to the insurance department and the state auditor sent his inspector, C. F. Spencer, to Fairmont to investigate. With the aid of the local board it was discovered that the owner of a local theater was holding a policy for \$225,000 in the Manhattan. He had paid Foster, he alleged, something like \$3,000 as premium for this policy. Several other policies were located. Foster was arrested on a charge of grand larceny and is on bond to await the action of the grand jury.

Inspection of Charleston

CHARLESTON, W. VA., April 17.—The inspection campaign of Charleston, which was conducted by the committee of the West Virginia Fire Underwriters Association headed by E. P. Douglas of Parkersburg on April 10-11, resulted in a showing of defects in 81 percent of the buildings inspected. There was good team work by some ten teams, each led by a special agent and accompanied by firemen from the city fire department and a number of Boy Scouts. The local committee from the chamber of commerce, local insurance agents and field men from the state fire marshal's office rendered aid.

R. E. Mullen turned in the figures to the chamber of commerce and sent in the inspection list of hazards to the chief of the fire department. There were 747 buildings inspected and 2,771 hazards appeared to be possible of elimination. One building was found with 51 defects, and this building was promptly reported to the fire marshal. In the 30 school buildings 161 defects were tagged and the school board was given prompt notice. There were 231 defects in the 40 churches, and 28 in the five hospitals.

Inspecting Georgetown, O.

Under the direction of the Ohio Fire Prevention Association, a town inspection was held Thursday at Georgetown. Inspections will be held at Steubenville May 23 and at Crooksville June 11.

Gallipolis and Delphos Inspections

At the inspection just held at Gallipolis by the Ohio Fire Prevention Association, 180 risks were inspected, 160 defects were found and 596 recommendations were made. The schools were inspected and pupils addressed by Paul F. Brown of the Hanover and A. W. Dornert of the Royal Exchange. At the dinner, attended by 150, talks were given by Allen C. Guy of the Western Adjustment and R. C. Criswell of the Ohio Inspection Bureau, the latter's subject being "Waterworks and Fire Fighting Equipment." R. E. Metzger of the Fireman's Fund also was a speaker.

At Delphos 159 risks were inspected, 129 defects were found and 500 recommendations were made. The inspection was sponsored by the Kiwanis Club. R. E. Vernor of Chicago spoke both at Delphos and at Lima the previous day. W. S. Winnard of the Ohio Inspection Bureau addressed the school children at Delphos. State Fire Marshal R. R. Gill spoke to school children at Lima.

Case Against Springfield Reversed

The court of appeals of Hancock county, O., has reversed a judgment given by the common pleas court to the National Conveyor Company of Findlay against the Springfield Fire & Marine, for \$6,000 damages alleged to have been caused by fire to its plant at Winchester, Ind. The court held that the conveyor company had not made out a case.

Columbus Agencies Merge

Effective May 1, the insurance agencies of Archer & Meek and Al H. Harmon, Columbus, O., will consolidate and operate under the firm name of Archer, Meek, Harmon & Drugan, with offices at 175 South High street. This agency will have ten fire companies and the general agency of the Hartford Accident. Mr. Drugan will continue to be the fire insurance engineer.

The individuals comprising this new firm are J. J. Archer, Jr., who has been

in the local business since 1900; Hugh L. Meek, who became associated with Mr. Archer in 1919, prior to which time he had been Ohio state agent for the Hartford Fire; Al H. Harmon, who has been general agent of the Hartford Accident since its organization, and H. E. Drugan, in charge of the engineering department, who has been associated with Archer & Meek for eight years, prior to which time he had spent several years with the Ohio Inspection Bureau.

Heavy Loss in Cleveland

CLEVELAND, April 17.—Fire loss of from \$150,000 to \$200,000 was suffered when the upper three floors of the five-story brick Buckeye building at East Fourth street and Prospect avenue was completely gutted. Practically all of the occupants were damaged either by fire or water. The entire ground floor was deluged and at least 10 business places suffered heavily. Located in the heart of the downtown district, with large buildings closely adjoining on all sides, a great disaster threatened several times.

Firms which suffered damage include: Siegel shoe store, Sisser jewelry store, Jam Lunch, Henry's taffy stand, Kladwell Co., H. Saks Co., S. C. W. Paint Stores Co., Kramers Shoes, Vanity Cloak Co., Brill's Clothiers, Ohio Finance Co., Advertising & Adding Co., Bryant & Gabriel Co., Cleveland Art Students League, Contractors Advertising Service, Electrical Repair & Construction Co., A. D. Gardner offices, Peerless Electric Co., Waters Center Co., Liberty Pants Co., Liberty Vest Co., Blondi's tailor shop, Atlas Printing Co., Envelop Specialty Co., Hooven Letter Service & Sales Co., Mutual Paper Co., Photo-Litho Plate Co. and A. L. Trostler & Co.

Ohio Notes

W. E. Harris of Continental, O., has been appointed a deputy state fire marshal by State Fire Marshal R. R. Gill.

The insurance business of R. H. Schryver and C. M. Neff at Mt. Sterling, O., has been sold to O. J. Ray and W. Gregg.

The Wood Insurance Agency at Cincinnati has been incorporated with 250 shares of no par value stock by Walter J. Wood and others.

The village hall at Euclid, Cleveland, O., was burned Saturday with a loss of \$30,000. Defective wiring is given as the cause. Fire Chief Earnest Earlick was injured.

The explosion of a gasoline torch caused the destruction by fire of the Hewett P. Mulford & Co. greenhouses near London, O. The loss was \$50,000, according to reports.

A fire in the O. W. Kurtz block at Minerva, O., April 11, resulted in a \$30,000 loss. Two stores and the Masonic lodge rooms were destroyed with some adjoining damage.

The club house of the Grand Forest Beach Club near Sandusky, O., was burned Saturday with a loss placed at \$30,000. Sheriff John W. Parker has begun an investigation in the belief that it may have been set afire.

The local agency of Salem, O., connected with the Ohio Mutual Fire of that city, has since the death of the late president, J. R. Vernon, been changed to Ambler & Co. J. Ambler, secretary of the Ohio Mutual, is head of the agency. It was established in 1872 by Robinson & Vernon and since 1901 has been conducted under the name of Vernon & Ambler.

IN THE CENTRAL WEST

PREVENTION COUNCIL FORMED

Indiana Body Organized to Coordinate Activities of All Fire Safety Groups in State

"For the purpose of coordinating existing organized agencies and other interests in a state-wide effort to combat the ravages of fire," the Indiana Fire Prevention Council has been organized. The new organization is auxiliary to and part of the fire prevention department of the Indiana fire mar-

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice President

JOHN KAY, Vice President and Treasurer

WELLS T. BASSETT, Vice President

JANUARY 1ST, 1928, STATEMENTS

ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$40,000,136.83	\$19,459,279.01	\$7,500,000.00	\$13,040,857.82	\$20,540,857.82

ORGANIZED 1853 THE GIRARD F. & M. INSURANCE COMPANY OF PHILADELPHIA, PA.

\$6,000,966.28	\$2,930,594.84	\$1,000,000.00	\$2,070,371.44	\$3,070,371.44
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ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,828,245.29	\$2,820,808.68	\$600,000.00	\$1,407,436.61	\$2,007,436.61
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ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$4,907,721.63	\$2,557,216.60	\$1,000,000.00	\$1,350,505.03	\$2,350,505.03
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ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,835,369.35	\$2,520,317.56	\$1,000,000.00	\$1,315,051.79	\$2,315,051.79
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ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,250,424.26	\$2,567,447.92	\$1,000,000.00	\$1,682,976.34	\$2,682,976.34
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ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$760,298.04	\$375.00	\$300,000.00	\$459,923.04	\$759,923.04
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TOTAL OF ASSETS
\$66,583,161.68

TOTAL OF LIABILITIES
\$32,856,039.61

TOTAL NET PREMIUMS
\$25,684,495.78

WESTERN DEPARTMENT

844 Rush Street
Chicago, Illinois

H. A. CLARK, Manager

Assistant Managers

H. R. M. SMITH

JAMES SMITH JOHN R. COONEY

EASTERN DEPARTMENT

10 Park Place

NEWARK, NEW JERSEY

CANADIAN DEPARTMENT

461-467 Bay Street

TORONTO, CANADA

MASSIE & RENWICK, Limited,
Managers

PACIFIC DEPARTMENT

60 Sansome Street

San Francisco, California

W. W. & E. G. POTTER,
Managers

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

The TOKIO

MARINE AND FIRE INSURANCE COMPANY, Limited

United States Fire Branch: 80 John Street, New York
J. A. KELSEY, General Agent GEORGE Z. DAY, Asst Gen. Agt.

U. S.—Statement December 31, 1928

ASSETS	\$10,841,544.57
PREMIUM RESERVE	2,440,278.09
OTHER LIABILITIES	866,029.87
NET SURPLUS	7,535,236.61

Chicago Branch: 175 West Jackson Blvd.

Frederic O. Hesse
Field Supervisor

Alfred J. Couch
Manager Brokerage and Cook County Depts.

How The Home Fire and Home Accident Insurance Companies
Help Their Agents Increase Premium Incomes

3.

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We answered this question for our agents more than a year ago when we decided to eliminate our name from all sales help material, furnished to our agents, and instead feature the name of the agent. The above newspaper advertisement is typical of our plan to advertise our agents rather than ourselves.

If this type of agency help appeals to you, we invite your inquiry.

We have excellent opportunities for agents in Arkansas, Mississippi, Louisiana, Texas, Oklahoma and Tennessee.

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Home Insurance Building

Little Rock, Arkansas

shal's office. As a means to the end sought, the council will promote a statewide educational campaign on fire prevention, through personal efforts of its members and through the organization of local fire prevention councils among the commercial, civic, service and other organizations in the various cities, towns and rural communities of the state.

The following officers were elected at a meeting in Indianapolis last week: President, B. R. Inman, director of education, Indiana fire marshal's department; vice-president, Joseph Stickney, chairman of the committee on fire prevention, National Association of Insurance Agents; secretary, Thomas R. Dunagan, district chairman, National Fire Waste Council.

Among others present at the organization meeting of the Council were Frank C. Jordan, president National Fire Protection Association; W. H. Arnett, managing director Indiana state chamber of commerce; Roy P. Wisheart, state superintendent of public instruction, and E. M. Sellers, manager Indiana Inspection Bureau.

ANOTHER TAX BILL LAUNCHED

Michigan Legislature Gets Measure Backed by Governor Which Would Make Reserves Taxable

LANSING, MICH., April 17.—The bugaboo of added taxation for Michigan insurance companies bobbed up again in the state legislature late last week. This time the peril is considered real, as the bill which would impose additional taxes was drafted by the attorney-general's department and is one of a series of measures designed to correct a situation to which Governor Green called specific attention in a recent message to the lawmakers. The measure is therefore taken to carry the tacit approval of the administration and even though tardily presented has the chance of passage accorded all bills bearing the administration o. k.

Would Increase Burden

Under the measure, which would modify the general taxation law of the state as it bears on insurance companies organized under Michigan laws, legal reserves could no longer be considered as liabilities in computation of taxable assets. Such a modification would, it is conceded, greatly increase the burden of taxation on the Michigan stock carriers and even the mutuals and reciprocals would be affected, it is believed.

The insurance company representatives are indignant that the state should essay to tax, at the expense of the carriers, an asset actually belonging to that share of the public represented among the policyholders and set aside by law in such form that it cannot be used by the carriers to create income in anything like the manner in which ordinary resources are usable. Why the legal reserves of insurance companies are not rightfully liabilities to as great an extent as the deposits of bank patrons is a question puzzling the Michigan companies.

PUSH NEW CODE IN HOUSE

Michigan Bill Revising Insurance Laws Passed by Senate—no Signs of Opposition

LANSING, MICH., April 17.—Insurance forces supporting the department's revision of the state insurance code turned their attention to the lower house of the Michigan legislature following the senate's passage of the measure at the final session last week.

The battle half won, friends of the bill were most optimistic for its early enactment. While the house is a somewhat more unwieldy body than the senate, there appears to be no sign of prejudice against the insurance measure and the house insurance committee is

expected to report it out favorably soon after its arrival. It is understood that the senate gave its approval with the understanding that an amendment would be attached in the house modifying the provision relative to fraternalism which has been attacked by certain insurance orders. No other important amendments are anticipated, however.

The bill progressed through the senate with rapidity. The committee reported the bill late Tuesday and Friday morning it was advanced from general orders to third reading and then passed unanimously, 20 to 0, under suspension of the rules.

JOINS THE DETROIT AGENCY

Gillespie & Suliburk Have Organized Departments in Their Office—Strengthen Organization

W. Ellis Peterson has joined the agency of Gillespie & Suliburk in Detroit as manager of their fire insurance department. He entered the business 10 years ago with the Michigan Inspection Bureau. He has been associated with the S. S. Glass Corporation which is now operated by Marsh & McLennan, as engineer and fire underwriting counsel. He is one of the first engineers to be employed by a local agency.

Ted Loring has become the casualty manager for Gillespie & Suliburk. He entered the training school of the Travelers in 1919. He was sent to Kansas City by the company to organize a branch office and establish an agency system in Kansas and western Missouri. He was assistant branch manager for three years. He then became associated with a general agency representing the United States Casualty and Surety Indemnity at Kansas City. He organized the firm of Shea & McCord, who became general agents of the Hartford Accident & Indemnity.

Gillespie & Suliburk are general agents for the Southern Surety. President Norman R. Moray, who had been acquainted with Mr. Loring, was instrumental in inducing him to join the Detroit firm. Gillespie & Suliburk are located in the Penobscot building in Detroit.

HOLD FIRE PREVENTION MEET

Five Able Speakers Are Heard by Members of Hamilton Club, Chicago Organization

Fire prevention was the subject of the weekly forum in the Hamilton Club, Chicago, last Saturday. The program was arranged by P. J. V. McKian of the Western Actuarial Bureau, and the speakers were Richard E. Vernor, manager of the bureau's fire prevention department; Chief Frank C. McAuliffe of the Chicago insurance patrol; John E. Hogenson of the Chicago fire prevention bureau, an adjunct of the fire department; James M. Newburger, vice-president of the Chicago Board, and James I. Naghten of John Naghten & Co., agents. Harold A. Baum, chairman of the club's political action committee, presided.

Mr. Vernor made the principal address, in which he pointed out that Chicago's greatest fire prevention need is an organization to coordinate all fire prevention activities current or to be undertaken. He said that the chamber of commerce is the logical organization for the job.

Chicago Has Bad Record

To emphasize Chicago's need for more fire prevention he compared fire loss figures of that city with those of others. Chicago's per capita fire loss for the last three years through 1928 averaged \$4.42. The 1928 per capita loss was \$4.00. The 374 cities and towns participating in Fire Waste Council activities had an

average per capita loss of only \$3.77 in 1925, \$3.07 in 1926, \$2.70 in 1927 and \$2.35 in 1928. Philadelphia's average per capita loss for the four-year period was \$2.65, and Detroit's \$3.08. Mr. Vernor gave chamber of commerce fire prevention activity as the principal reason for the comparatively low loss rate, especially in Philadelphia and Detroit, both of which are Fire Waste Council grand award winners.

The Chicago fire department's prevention bureau is able but undermanned, it was pointed out. It has 35 inspectors, but 20 of them must give their entire time to theatre inspections. The 35 men have to cover a territory of 204 square miles.

Frank McAuliffe in his address said that fire prevention is the duty of all, and that until it is recognized as such, the best results will not be obtained from whatever organized fire prevention work is done. Mr. Hogenson spoke on the activities of the Chicago fire prevention bureau. He, too, emphasized the fact that the bureau is undermanned. Mr. Newburger told his hearers that the Chicago Board is at all times eager to cooperate in all fire prevention activities. He told of the board's prevention work and explained how this is tied in with the similar work of other organizations. Mr. Naghten spoke for more fire prevention thinking and planning among all civic organizations and by all individual members of such organizations.

REGIONAL MEETING HELD IN WAUKEGAN

H. J. Leach of Morris, Ill., chairman of the organization committee of the Illinois Association of Insurance Agents, was in charge of the first regional meeting held at Waukegan last week. Joseph Cosover, president of the local board, presided in the early part of the banquet and then introduced Mr. Leach, who took charge. C. H. Doscher, field representative of the National Association of Insurance Agents, was the chief speaker. W. W. Steiner of Chicago, manager of the Globe Indemnity, spoke on merit rating and the installment payment plan of insurance.

Illinois Field Club Meeting.

The annual meeting of the Illinois Field Club will be held at Lake Delavan, Wis., June 25-26. This is the same time that the Illinois State Board will meet there.

State Board Candidates

William C. Sonnen, state agent of the Liverpool & London & Globe, and Rodney D. Wiley, Illinois state agent of the Atlas, have announced themselves as candidates for the vice-presidency of the Illinois State Board. The annual meeting of the organization will be held at Delavan Lake, Wis., June 25-26. J. Lewis Cassell of the London, the present vice-president, will be advanced to the presidency without opposition. At the state board meetings the contest is always over the vice-presidency. Both Mr. Sonnen and Mr. Wiley have served on the executive committee. They both are in excellent standing with their field associates, and have made good records.

Indiana Field Meeting Planned

The annual outing and combined meetings of the Indiana field men's organizations will be held at Sargeant's Hotel on Lake Wawasee, June 18-19. Annual meetings of the Indiana Fire Underwriters Association, Indiana Field Club, Indiana Field Men's Relief Association and the Indiana Blue Goose will be held. The dinner Tuesday evening will be in charge of the Blue Goose.

Heavy Loss from Detroit Explosion

DETROIT, April 17—Fire Marshal Gabriel Goldwater this week was investigating an explosion Thursday that completely wrecked three four-story buildings on East Jefferson avenue, at

the edge of the downtown section, followed by a fire that caused the loss of two lives and total property damage estimated around \$400,000.

Due to the fact that much of the damage was due to the explosion, adjustment of the loss is proving a difficult matter. Heavy plate glass loss was caused by the blast, which broke windows for blocks around.

The explosion occurred about 6:30 p. m., after all employees of half dozen commercial firms housed in the buildings had left. Fire immediately followed, which firemen did not get under control until several hours later.

Novel Collection Plan

SPRINGFIELD, ILL., April 17—David Benjamin, the head of the Benjamin Agency at Springfield, Ill., has made a special study of collections and has put into practice in his agency a rather bold experiment which, however, he reports as successful. He has discussed with his clients the fact that he must make remittances at a fixed time to his companies and they have agreed to the adoption on Mr. Benjamin's part of a collection plan that is best explained by the stamp that he affixes to all of the bills that he sends out and which reads:

"We are only agents for the insurance companies and all premiums must be paid to the home office of the insurance company promptly by us.

"Therefore, it has become necessary for the Benjamin Insurance Agency to attach a penalty and a carrying charge of 10 percent addition to your premium, if not paid within 30 days from the date of the issuance of the policy.

"Please avail yourself of the savings and pay us within 30 days."

Kansas in Prevention Campaign

In response to a proclamation of Governor Clyde M. Reed of Kansas, an intensive state-wide fire prevention and clean-up campaign is being arranged for the week of April 21-27. Governor Reed urges the citizens of the state to cooperate in every way possible with the various local organizations participating in the activity, saying that "Such a campaign for fire prevention will remove the hazards that menace human life and the destruction of homes and business property." State Fire Marshal Douglas A. Graham expresses the hope that every citizen will give the fullest encouragement and assistance in making the approaching "Clean-up Week" of greater value in fire prevention activities than in any previous year, saying "We could do no better than to make every day of the year a fire prevention day."

Speak at Saginaw Meeting

SAGINAW, MICH., April 17—Saginaw valley agency forces were well represented here last week at a meeting of the Saginaw Board. Clyde B. Smith, Lansing, chairman of the executive committee of the National association, and Commissioner Charles D. Livingston gave the principal addresses. Bay City agents were guests of the Saginaw group, the entire assembly numbering some 45 persons.

Mr. Smith told some of the objectives of the national organization and outlined plans for the convention in Detroit next fall.

Commissioner Livingston explained in detail the revised insurance code now

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PHILADELPHIA, PA.

Assets\$7,896,724.12

Increase in 1928 \$808,948.21

Policyholders' Surplus\$4,131,066.84

Increase in 1928 \$528,106.08

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THE OLD "STATE OF PENN"

STEADFAST

Great American
Indemnity Company
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Casualty
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Fidelity and
Surety Bonds

Germanic Fire Insurance Company of New York

Chanin Building New York City

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CARL SCHREINER **HAROLD G. ARON**
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	R. H. Johnston		Max L. Telch
	John W. Van Allen		

Capital \$1,000,000.00 Surplus \$1,500,000.00

Writing

Fire	Tornado	Rents	Automobile
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All Risk Furs & Jewelry		Riot & Civil Commotion	

Opportunities for Progressive Agents in Profitable Cities and Towns

SUSSEX FIRE INSURANCE COMPANY

CAPITAL
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ASSETS
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60 Park Place

SURPLUS TO POLICYHOLDERS, \$1,872,550.62

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ARTHUR H. F. SCHUMM,
Vice President & General Manager

before the Michigan legislature. He told how it will affect the business in the state to the general benefit of sound insurance. Carl Trager, president of the Lansing association, and Lyle Clift of Bay City also talked briefly.

An extensive membership campaign for the Saginaw and Bay City boards was discussed and constructive suggestions for this drive were advanced by some of the visitors. It is hoped to bring all qualified agents in the territory within the local groups in a few months.

Rogers Safety Conference Speaker

Thirty-five or more cities and towns of the Rock River valley of Wisconsin and Illinois will cooperate in the Rock River Valley Safety Conference, to be held at Rockford, Ill., April 30. Chambers of commerce of Beloit, Janesville, Rockford, Belvidere, Freeport and Aurora are actively cooperating in arranging for the meeting. Harry K. Rogers, engineer of the Western Actuarial Bureau, Chicago, will speak on "Facts Written with Flame."

Meeting at Huntington

Huntington, Ind., agents are planning a meeting to which all agents of Muncie, Marion, Anderson, Logansport, Wabash and Fort Wayne will be invited. Atwood L. Jenkins of Richmond, president of the Indiana association; Joseph W. Stickney, former president, and Herbert L. Barr, chairman of the executive committee of the state association, both of Indianapolis, will be the speakers.

Will Inspect Galesburg, Ill.

At the invitation of the Rotary club and the chamber of commerce of the Illinois State Fire Prevention Association will make an inspection of Galesburg April 25. A public meeting will be held at a noonday luncheon at the Galesburg Club, under the auspices of the Rotary club. Talks will be made to the pupils of the several public and parochial schools and the two local colleges.

Will Dissolve Charters

The Illinois insurance department finds that the State Fire of Marion, Ill., which was chartered, has not completed its organization and therefore the matter is placed in the hands of the attorney-general for dissolution of the charter. The same action is taken as to the Lincoln Union Fire of Chicago.

The Farmers Dundee Township Mutual of Dundee, Ill., has been placed in the hands of the attorney-general for dissolution.

Regional Meeting at Alton

A district regional meeting of the Illinois Association of Insurance Agents will be held at Alton April 24 in the evening. J. A. Giberson of that city is the official host. Some of the agents intend to go to Alton and play golf during the afternoon, the evening meeting being at the Rock Spring Country Club. C. H. Doscher, field man of the National association, will be present and speak, as will some of the representatives of the Illinois association. Agents in that section of Illinois are all invited to be present.

May Change Membership Plan

The Waukegan, Ill., local board is the insurance division of the Waukegan chamber of commerce. A few local agents do not desire to belong to the chamber of commerce and yet wish to belong to the local board. At the recent meeting a committee consisting of Paul Keiser, chairman; Phil Brand and Ross C. Sherman was appointed to try to work out some plan whereby representation could be effected with the local board without an agent being associated with the local chamber of commerce.

Tisdale Seeking Engineer

DETROIT, April 17.—H. V. Tisdale, assistant general agent of the North British & Mercantile, is seeking the services of a special engineer to be located in Detroit. His territory would comprise several surrounding states, but much of the work would be in Michigan.

Will Inspect Ann Arbor

DETROIT, April 17.—Ann Arbor, where the University of Michigan is located, has been chosen for the next fire hazard survey by the Michigan Fire Prevention Association. The decision

was made at an executive meeting of officers last week. Details are to be announced later.

Michigan Notes

W. H. Wolf, state agent of the Netherlands in Michigan, has been appointed district chairman in Michigan for the National Fire Waste Council.

A visit to Newaygo, Mich., schools May 28 has been promised by Harry K. Rogers, "fire clown." Surrounding district schools will be invited and it is anticipated that the fire prevention lesson will be taught to one of the largest audiences ever assembled in the town. The annual firemen's banquet will follow the school meeting.

A loss estimated from \$75,000 to \$100,000 was sustained in Gould City, Mich., last week when 11 buildings burned while residents of the town stood by helpless to halt the blaze. Several stores, residences, a 20-room hotel, the postoffice and the telephone exchange, linking the hamlet with the outside world and the nearest fire department at Manistique all were razed. Half of the population was without personal belongings or housing after the fire.

After presenting a stubborn defense throughout two protracted trials, Stanley Sanford, prominent Reed City, Mich., business man, was convicted by a jury in circuit court there on a charge of arson. Sanford was accused of conspiring to burn a dry kiln plant April 1, 1928. He was also charged with responsibility for the burning of a manufacturing plant housing several industries, in one of which he was interested, on Labor Day, 1928.

One of the most spectacular fires ever recorded in Holland Mich., and vicinity burned the contents of a 15,000-gallon gasoline tank at the Service Oil Company plant southeast of Holland last week. A spark from a pumping engine was said to have ignited gasoline which overflowed from the tank, starting the conflagration. A nearby warehouse containing two carloads of lubricating oil and two other 15,000-gallon tanks containing high test gas and kerosene were saved. The loss was said to be covered by insurance.

Illinois Notes

The First National of Seattle, running mate of the General of that city, has been licensed in Illinois.

Christopher Bente of Elgin, Ill., for 18 years manager of an insurance agency there, died recently after an illness of almost two years.

Harry C. Noble, for 12 years justice of the peace at Decatur, Ill., will establish an insurance agency there. He has been named general agent for the Calumet National Life of Chicago and will represent the Commonwealth Casualty for automobile insurance.

Field men were interested in the news concerning the holdup of the Lansing State Bank at Lansing, Ill., inasmuch as Henry F. W. Schultz, president of the bank, conducts an agency in connection with it. Mr. Schultz and his daughter, Miss Amanda, were in the bank at the time of the holdup. About \$10,000 in cash was secured.

Indiana Notes

The Blue Goose dinner dance which was planned by the Indiana pond for next Monday evening has been postponed.

Mrs. Gertrude Solomon Well, 64, widow of the late Aaron M. Well of A. M. Well & Brothers Company agency, Evansville, Ind., died at her home there last week, following a long illness. Mrs. Well was the holder of her late husband's stock in the agency.

NORTHWESTERN STATES

INSURED STORM LOSS SMALL

Tornado Passes Over Corner of Minneapolis—Adjusting Companies' Largest Report Is \$15,000

MINNEAPOLIS, April 17.—Adjusting companies here report a minimum number of claims, both in life and property damage, due to the recent storm which passed over a corner of the city and then swung off into a sparsely populated territory. Had the twin cities lain in the direct path of the storm, the loss would undoubtedly have been extremely severe. As it was, the great majority of those who suffered carried no insurance whatever or else belonged to mutuals.

The Western Adjustment and the Underwriters Adjusting report very

nominal losses. The heaviest loss reported to the Western Adjustment was that of the National Coal & Treating Company, Gilkey, Minn., placed at \$15,000. The highest claim sent in so far to the Underwriters Adjusting was for \$25. Total property loss, which also includes that done in northern Wisconsin, has been placed at a rough estimate of \$2,000,000.

Support Firemen's Course

MADISON, WIS., April 17—Fire insurance men in Wisconsin are interested in supporting the special short course for firemen which the University of Wisconsin has announced for June 25-28.

The short course will deal with fire prevention, fire control and fire extinguishment. According to the announcements issued tentatively outlining the course, lectures will be given by authorities on such subjects as the protection of business districts against fire; salvage work, firemen's masks and gas hazards, fire extinguishers, oil burner hazards, pensions and compensation for firemen, village and farm fire protection, electrical fire hazards and care and maintenance of fire fighting equipment.

Conclude Milwaukee School

MILWAUKEE, April 17—The final program for the fire prevention school and the first aid school of the safety division of the Milwaukee Association of Commerce will be held Thursday evening.

Insurance men, safety engineers and fire prevention heads of industrial plants and large department stores in the city will be present at the graduation banquet.

Agent Insured Himself, Can't Collect

BISMARCK, N. D., April 17—William Clifford of Mohall has no claim against the Firemen's, for which he was agent and which refused to pay him when his house burned down, the North Dakota supreme court held in deciding a case appealed from Ward county.

Clifford, as agent for the company,

wrote a policy on his house and furnishings. It became effective at noon and at 6 o'clock the same night the house burned. The company refused to pay the loss. The supreme court held that an insurance policy written by an agent on his own property is invalid unless the company is fully informed regarding it and approves the issuance of the policy.

Discusses Chain Store Situation

MINNEAPOLIS, April 17—Some ideas on the possible effect of the chain store movement on local insurance business were presented by Judge F. T. Wilson in an address before the Insurance Club of Minneapolis April 16.

Judge Wilson, who is head of the Wisconsin agency, Stillwater, Minn., has made a study of the chain store question, especially in the smaller towns.

North Dakota Arson Case Reversed

BISMARCK, N. D., April 17—Before a person can be convicted of a charge of arson he must be charged with setting fire to something deliberately with malice, the North Dakota supreme court has held in the case of Silma W. Pedie, appealed from Bottineau county. Mrs. Pedie pleaded guilty to a charge of third degree arson and was sentenced to four years in prison, the plea being entered without advice of counsel.

After she was committed to the penitentiary an appeal was taken to the supreme court, which ruled that the information, charging her with the crime, was defective. The court ordered a new trial.

Sexton Agency's Companies Listed

In the last Minnesota Handbook the listing of the Charles W. Sexton Company of Minneapolis shows a number of errors. Herewith are correct listings of its companies: Aetna, Alliance, Automobile, Chicago Fire & Marine, Great American, Hanover, Home, Minneapolis F. & M., National, New Hampshire, Phoenix, and Star.

The officers of the corporation are: John H. Hauschild, president; George W.

Harsh, vice-president; Albert A. Comrie, secretary; Jewell Fuller, treasurer. The correct address is 1140 McKnight building.

Protection for Milwaukee Suburbs

MILWAUKEE, April 17—The new fire department of the village of Shorewood, a suburb of Milwaukee, is to be organized and placed in operation within a few weeks. Equipment purchased includes a motor pumper capable of pumping 750 gallons of water a minute, with chemical hose and hook and ladder adjustments and with 1,000 feet of additional hose.

South Milwaukee is also establishing more adequate fire protection. Work has been started on a combined fire and police department building to be completed by Sept. 1.

Clean-up Week for Eau Claire

EAU CLAIRE, WIS., April 17—The Wisconsin Inspection Bureau and Fire Chief Welsh are cooperating in a city-wide clean-up campaign April 29 to May 4. Last year the city won a loving cup for being "the cleanest city" in the state.

Questionnaires are being sent to all homes in the city so that each resident may check on the work done during the week to clean up his property and eliminate fire hazards. School children will collect these after they are answered and a prize will be given to the school returning the most questionnaires.

Wisconsin Notes

The stag party which was to be held by the Wisconsin Blue Goose at Hilgan Spring Park has been postponed indefinitely.

A. A. Rice, manager of the Sun Ray Heater Company, has been arrested by a deputy state fire marshal, following a six weeks' investigation of the burning of the Sun Ray plant Feb. 15, and charged with arson.

Joseph Lynton Hadley of Joseph Hadley & Son, London, Eng., representing a strong group of London Lloyds underwriters, was in Milwaukee last week, calling on the Chris Schroeder & Son

Company, which has done business continuously with the Hadley firm for approximately 30 years. Mr. Hadley is making an extensive trip through the United States.

Dakota Notes

A proposal to bond the village of Glen Ullin, N. D., for \$20,000 to provide funds for the extension of the waterworks system was refused by voters of the village.

Although carrying a majority, the support for a proposal to bond Devils Lake, N. D., for \$12,500 to purchase fire fighting equipment was not sufficient to meet the state statutes, which require a 60 percent favorable ballot.

Fire marshals are investigating the causes of eight mysterious fires in Minneapolis within three days. Most of them were in empty dwellings and barns and in some cases oily rags were found about the premises. In one place a gallon can of ether was found.

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Great American
Indemnity Company
New York

Casualty
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Fidelity and
Surety Bonds

Indiana Insurance Company

A STOCK COMPANY CHARTERED IN 1851

DESIRES AGENCY CONNECTIONS IN CITIES AND TOWNS IN INDIANA

Writing **AUTOMOBILE—All Lines in One Policy**
PLATE GLASS—50-50 Policy if Desired
FIRE AND WINDSTORM—Combined Policy; Equal or Unequal Amounts

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ERNEST NEWHOUSE

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HANOVER

Forward! MARCH!

The HANOVER plans to increase its Capital another Million Dollars within the next few months.

\$3,000,000 Capital

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The HANOVER FIRE INSURANCE COMPANY of New York Charles W. Higley, Pres.

The Obligations of an Insurance Company to the Public

We owe the public not only the fulfillment of our policy contracts, but a complete accounting of our revenues, costs and profits, a fair rate structure, sincere efforts in aid of loss prevention, and a competent staff of agents, justly recompensed but not overpaid.

Organized 1881

The Columbia
FIRE
INSURANCE COMPANY
OF DAYTON, OHIO

Capital \$1,000,000

OWNED AND MANAGED BY THE AMERICAN OF NEWARK

Iowa is in the Insurance Belt

as well as in the corn belt. You wouldn't think of recommending corn from the Atlantic Seaboard! Why not represent the Tall Grown Company in the Tall Corn State?

Fire
Lightning
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and
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NATIONAL
FIRE INSURANCE
COMPANY
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Write for
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UNION INSURANCE COMPANY OF INDIANA

Automobile Plate Glass Public Liability

Correspondence with Local Agents invited in
INDIANA ILLINOIS MISSOURI

Executive Office, Indianapolis

IN THE MISSOURI VALLEY

COVER ALL COUNTY PROPERTY

Wichita Board Takes Over Writing of Fire and Tornado Insurance—Reduce Number of Policies

WICHITA, KAN., April 17.—Dwight T. Smith of the insurance committee of the Wichita Insurors announces that the Wichita board has taken over the writing of the entire property of Sedgwick county, placing both fire and tornado coverage on all buildings of the county under general form with the 90 percent reduced rate contribution clause. An appraisal had previously been made of the property and it was found that the county jail was some \$100,000 underinsured and the boys' detention home, valued at \$65,000, covered only for \$10,000.

Agents writing the coverage were instructed to write combined fire and tornado policies in every instance and furthermore to issue as large individual amounts on each as practical, in order that the total number of policies would be minimized. This plan was recently followed in writing the insurance on the Wichita school property and eventually will bring about a 75 percent reduction in the number of policies issued as compared with the former plan, where each agent would divide each year's renewals among all the companies in his office. For example, where an agent formerly wrote a \$5,000 policy each year with the same company, under the new plan this company will receive a \$25,000 policy every five years.

However, it will take four years to perfect this plan with the county insurance, as one-fifth of the insurance is to expire each year, which necessitated that at the start some policies be written for one, two, three and four years. When these expire they will be renewed for five years.

P. J. Clancy's Change

DES MOINES, April 17. — P. J. Clancy has just recovered from a three months' siege of double pneumonia. Mr. Clancy had a close call. He has arranged to take new office quarters at 1301 Equitable building and will hereafter operate as a personal producer. He will place his casualty business with the United States Fidelity & Guaranty and will represent the new Fidelity & Guaranty Fire. Mr. Clancy is a former president of the Iowa Association of Insurance Agents, and is well known throughout the state. He feels that in the future he should not be burdened with the details of running a large office and will, therefore, confine himself to personal work.

No Special Yet Named

The National Union Fire has not yet appointed a special agent in Missouri to succeed T. W. Garrett of Kansas City, who resigned. D. E. Williams, manager of the National Union at Kansas City, is looking after the field until a new man is selected.

Grindstone Spark Causes Big Loss

A spark from a grindstone on which a workman was grinding an ax caused a fire which did damage estimated at \$275,000 in the plant of the A. B. Chance Manufacturing Company in Centalla, Mo.

The greater part of the loss was on manufactured products, including piston rings, telephone pole anchors, anchor rods and other metal products. The warehouse in which the stock was stored was destroyed. It was valued at \$15,000. Firemen prevented the flames from spreading to other warehouses and the company's offices.

It was reported that sparks from the contact of the ax and the grindstone fell into a vat of liquid used in galvanizing metalware.

DISCUSS PLATE GLASS COVER

Liability in Connection With Tornado Insurance Reviewed Before Central Kansas Field Club

WICHITA, KAN., April 17.—W. H. Bibler of the Wichita office of the Western Adjustment led the discussion at this week's meeting of the Central Kansas Field Men's Club on "Plate Glass Insurance." He dealt largely with the proportion of liability under the tornado policy when specific plate glass insurance is also carried. It was pointed out that tornado forms are not uniform as to the liability for plate glass, three separate contract clauses being discussed. The speaker illustrated the proportion of liability under each of these contracts, showing how much each would contribute when found in force on the same risk, both with and without specific plate glass coverage. It was also explained that the application of the reduced rate contribution clause to the tornado coverage has no bearing on the plate glass coverage, as the latter is in reality a 100 percent coinsurance clause. As many of the members had not fully understood the plate glass liability under the tornado policy considerable discussion followed Mr. Bibler's remarks.

Harry B. Brown of the program committee announced the following programs for the next few weeks:

April 22, "The Method of Fire Insurance Rating" by E. F. Woods, Kansas Inspection Bureau.

April 29, "Agents' Duties in Relation to Losses" by P. L. Lake, St. Paul.

May 6, "The General Coverage Contract," C. E. Bleckley, Rhode Island.

May 13, "Unusual Forms," by Roy E. Eblen, president Central States Fire.

On May 20 it is proposed to have a joint meeting with the Wichita Insurors, with a special program by members of both organizations.

President Austin Stone presided at the meeting. L. T. Stubbs, recently appointed special agent for the Central States, was admitted to membership.

Opens Life Department

Olmsted, Inc., of Des Moines has filed articles of incorporation for a third unit of its general insurance agency, under the name of Olmsted, Inc., Life Agency. O. C. Miller, former president of the Central Life of Des Moines, will head the new department.

George H. Olmsted, vice-president and manager of Olmsted, Inc., will be secretary-treasurer of the life agency. Mr. Miller will be president.

The organization of the life agency gives Olmsted, Inc., facilities for writing all kinds of insurance. The new unit is capitalized at \$50,000.

Kansas Firemen's Short Course

A tentative program for the annual Kansas firemen's short course, which will be held in Newton, June 3-6, has been announced. E. J. Stewart, chief engineer of the Kansas Inspection Bureau, is a member of the committee in charge.

A general session will be held and addressed by Chancellor E. H. Lindley of the University of Kansas and David J. Price of the United States Department of Agriculture, who will discuss "Dust Explosions." Group meetings will be led by such men as Frank C. McAuliffe of the Chicago Salvage Corps, Clarence Goldsmith of the National Board, Harry K. Rogers of the fire prevention department of the Western Actuarial Bureau, and C. J. Koskinen of the Underwriters Laboratories.

A large variety of subjects both practical and technical will be under discussion, such as "Chemistry of Fire and Explosions," "Testing Hand Fire Extinguishers and Hose," "Characteristics of Fire Streams," "Salvage," "Hydraulics," "Ventilation," "Life Savings," "Drills and Training," "Methods of Handling

Fires in Different Types of Construction and Occupancies," etc.

Investigate Junction City Fire

Deputies of the Kansas fire marshal's office are investigating the filling station and garage fire in Junction City, Kan. The garage was owned by Harry Myers and occupied by W. E. Bacon. Several old automobiles were the only cars stored in the place at the time of the fire, other property having been removed previously.

Act Aids Rural Fire Protection

DES MOINES, April 17.—Iowa farm communities are given the right to levy a tax for the purchase and maintenance of fire-fighting equipment by a bill which has passed both houses of the legislature. The bill makes such action optional with local governmental units. Heretofore many Iowa communities have purchased fire-fighting equipment for use in rural districts by soliciting funds by popular subscription.

Will Inspect Mexico, Mo.

The Missouri Fire Prevention Association will conduct an inspection at Mexico, Mo., April 24, and will hold its semi-annual meeting the following day at the same place.

Richard E. Verner of the Western Actuarial Bureau, Chicago, will be the principal speaker at the meeting for business men at noon, April 24, and that same evening will speak at a community meeting at the McMillan School. At noon he will speak on "The Service of Insurance" and in the evening will discuss fire prevention.

Honor Thompson at St. Louis

ST. LOUIS, April 17.—Joseph B. Thompson, Missouri superintendent of insurance, will be the guest of honor and principal speaker at a dinner meeting to be given under the auspices of the Fire Underwriters Association of St. Louis, April 23.

Ernest Palmer, manager and counsel of the Chicago Board, and Thomas S. Ridge of Kansas City, president of the Missouri Association of Insurance Agents, will be other guests and speakers at the meeting.

All members of the association are being invited to attend the meeting and it is anticipated a new record for attendance will be set for the organization.

Oil Town Rerated

The Kansas Inspection Bureau has published a new rate book on Valley Center, located eight miles north of Wichita in the heart of Kansas' newest and largest oil field, which was discovered late last summer.

Some 125 rated risks, with approximately 300 occupancies, are listed, as compared with about 50 rated risks in the former book.

Kansas Losses Reduced

TOPEKA, KAN., April 17.—Douglas A. Graham, Kansas state fire marshal, reports a big reduction in fire losses and in fires in March this year as compared with March a year ago. There were 356 fires last month, 43 less than a year ago, and the fire loss was \$418,290, a reduction of \$341,877 from that of March, 1928. The largest single loss in the month was the fire in a flour mill in Topeka which showed a loss of \$13,244.

Kansas City Blue Goose Luncheon

KANSAS CITY, MO., April 17.—Fifty members attended the regular weekly luncheon at the local pond of the Blue Goose Monday. Howard Waterman of the Missouri Inspection Bureau spoke on the dependability of fire doors in a fire risk. Alex Young of the Hartford was chairman for the day. John Battershill was named chairman for next week.

Require Fireproof Roofs

Property owners in Manchester, Ia. who contemplate reroofing their dwellings have been notified by the city authorities that, according to the revised ordinances adopted recently, they must use fire resisting material. Roofs damaged by fire must also be repaired with fireproof material.

Officials declared that the fire department had answered many calls in the past to extinguish roof fires that would never have occurred had fireproof

shingles or roofing been used. It is their aim to reduce fire hazards.

Iowa Notes

Robert Kent, Rolfe, Ia., has disposed of his fire and automobile business to L. W. Kennedy. Mr. Kent will retain his life insurance business.

O. A. Hutton, real estate man, and F. E. Rubey, insurance agent, have opened an office in the Ames National Bank building, Ames, Ia.

M. A. Kepple has established an insurance agency at Nashua, Ia. He was formerly president of the Commercial State Savings Bank.

George W. Woodbury, pioneer Des Moines insurance man, died Thursday night. Mr. Woodbury was a member of the Tones agency, which he organized 30 years ago, and was actively connected with the growth of Des Moines.

L. Everett Graber, Le Mars, Ia., has opened an insurance office in the St. Clair & Hinkley building. Mr. Graber resigned as principal of a high school last summer to devote all of his time to selling insurance.

The J. T. Dahlstrom insurance agency has been incorporated at Waterloo, Ia., with \$50,000 capital. J. T. Dahlstrom is president; E. W. Bartlett, vice-president and secretary and they with C. B. Bartlett comprise the board of directors.

F. E. Rogers of Grundy county, Ia., was sentenced to the Fort Madison penitentiary after he had pleaded guilty to a charge of arson. A garage and machine shed on the farm occupied by Rogers was burned March 18 and with it an automobile which Rogers had recently insured.

Kansas Notes

W. C. Hodges, manager of the Kansas Inspection Bureau, has announced that a new rate book will soon be published for Salina, under National Board fifth class. A new rate book for Leavenworth, also a fifth class town, was published under date of April 12.

The Elks' Club building, a four-story brick structure at Garden City, was entirely destroyed by fire discovered early Sunday morning. Building and contents were a total loss, excepting some furniture which was carried out of the lower floors of the building. Only \$8,000 insurance was carried on the building and \$2,000 on contents, while the loss will run over \$30,000.

Nebraska Notes

The Dixie Fire, American & Foreign, and Fidelity & Guaranty Fire have been licensed in Nebraska.

The Nebraska supreme court has decided that the insurance premiums which the mortgagor is required to pay are not to be counted when determining whether a mortgage contract is usurious or not.

Missouri Notes

Lightning struck the George A. Laxton & Son hardware and implement store building at Sturgeon, Mo., and the resultant fire did damage estimated at \$20,000 to the building and stock of the store, while the Bank of Sturgeon building adjoining was damaged several thousand dollars. Mrs. C. B. Davidson of Moberly, Mo., owned the hardware store building.

Rogers Crittenden, who for more than eight years previous to last September was an officer of the Phister Insurance Company, Kansas City, Mo., committed suicide at his home April 12. Mr. Crittenden had become dissatisfied with his work, and last September resigned his position. He had brooded over the fact that he was unable to find a congenial life work.

SOUTHWESTERN FIELD

NEW GIN SPRINKLER DEVICE

Inexpensive System Perfected by Easley General Agency, Which Will Cut Rates 35 Percent

DALLAS, TEX., April 17.—Cotton gin fires, which have proved so expensive to insurance companies and gin owners the last few years, may be reduced to the minimum and at the same time fire insurance cut more than one-third through an inexpensive sprinkler system just perfected and put on the market by George M. Easley & Co., Dallas general agents. Mr. Easley demonstrated the new sprinkler at the recent convention of the Texas Cotton Ginners Association with telling effect

SPECIALIZING IN AUTOMOBILE INSURANCE



**FORT DEARBORN
INSURANCE CO.**
222 W. Adams St. Chicago

JOHN L. WALKER, Pres.

The LIBERTY HOME OFFICE DAYTON, OHIO INSURANCE COMPANY

Automobile Insurance—Full Coverage—All in One Policy
Plate Glass and General Liability Insurance

Assets Over 1½ Million—Surplus to Policyholders \$600,000

Agents wanted in Ohio, Indiana, Illinois, Michigan, Kentucky, Tennessee, Alabama, Georgia, Florida, Texas, Missouri, Kansas, Arkansas and Oklahoma.

J. R. Jones,
Sec'y & Mgr.

NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODART, General Agents

100 William Street

New York City

FIRE - AUTOMOBILE - WINDSTORM
BUSINESS INTERRUPTION INDEMNITY

and the gingers were well satisfied with its operation.

Gives 35 Percent Credit

Mr. Easley says it will work anywhere there is electricity and water. In the main, it consists of an electric motor and pumps and a diaphragm switch. With the sprinkler system installed the gingers are allowed a reduction of 35 percent in fire rates on their plants, he said.

To assure proper working of the system, Mr. Easley said, and he demonstrated it to the gingers while in Dallas, if the water pressure decreases below the proper amount a siren is set in motion. This siren will continue howling until someone comes and adjusts the defect. It can be heard for one mile.

Present Rates Almost Prohibitive

In the demonstration before the Cotton Gingers Association Mr. Easley set the entire sprinkler system in operation by tying a piece of paper to a stick, sticking a match to it and applying the flame to the "head." That showed how little heat is required to set the system in motion.

Cotton gingers the past few years have found insurance rates almost prohibitive. In fact many companies have ceased writing the line. If the new and

inexpensive sprinkler is what they want it will pay for itself in insurance rates in a few years and at the same time afford protection to the property.

ARKANSAS STORM LOSS HIGH

Insurance Men Unable to Make Any Estimate as Yet on Extent of Losses Incurred

LITTLE ROCK, ARK., April 17.—General agents and others writing tornado insurance are unable at this time even to approximate the extent of the damage done by the tornado which swept north Arkansas last week. The death toll has reached 53 in Jackson, Izard, Cross and Greene counties, with a large number of injured. Several places were almost destroyed, including Diaz, Laredo and Swifton. The town of Guion in Izard county was completely destroyed, scarcely a wall being left standing.

Insurance agencies are receiving daily reports from the stricken area, but they are not able at this time to determine the extent of the losses. The storm covered a path 90 miles wide and apparently the original tornado split into three sections and left death and destruction in its wake.

The largest individual loss was that of the Northern Ohio Lumber Company at Parkin, Cross county, with property damage estimated at \$50,000, said to have been covered by tornado insurance. The property damage in Greene county is estimated at \$100,000. Damage amounting to \$75,000 is reported at Parkin. Guion was a town of 400 inhabitants, with 150 buildings, all of which were demolished with the exception of three small buildings. One of the peculiarities of the storm at Guion was that the tornado in crossing White river sucked up the water and deluged the town with water as well as sweeping it with the wind.

Hoffman Enters Field Work

James Hoffman of the Coates & Raines office of Little Rock, Ark., has been appointed special agent in the state to succeed the late James A. Henderson.

"Babe" for Fewer Fires

OKLAHOMA CITY, April 17.—George Herman Ruth batted out a horse run for fire prevention here, when he penned the following statement:

"To the children of America: Will you try for a batting average of 1,000 percent in fire safety? If you will, it will please me very much. Sincerely, "Babe" Ruth."

Babe happened to meet Harry K. ("Smoky") Rogers, the famous fire clown, as the latter was returning to his hotel from clown work in the city schools. Becoming interested in fire prevention, the swat king presented the above message to "Smoky."

Lingerer Publicity Chief

Herbert K. Lininger, state agent for the Springfield in Oklahoma, has been appointed chairman of the publicity committee of the fire prevention division of the Oklahoma City chamber of commerce. Mr. Lininger promptly got on the job, contacting two of the local daily evening papers, whereby fire prevention news and comment will be given space in the Monday insurance pages of these dailies in the future.

Heavy Storm Loss in Oklahoma

OKLAHOMA CITY, April 17.—The first loss of any consequence suffered in the state this year, from hail and tornado was in Blackwell and surrounding territory. In which the damage is estimated at nearly \$500,000. A large portion of the loss resulted from a very heavy hail storm, which caused great damage to dwellings and mercantile houses. While

all losses are not covered by insurance it is estimated that about \$250,000 insurance will be involved.

Missing the main business section of Blackwell by only one block, the wind removed roofs and walls or demolished some 30 dwellings, damaged four schools, a large apartment and the Globe Refinery, besides numerous mercantile store fronts, windows, automobiles, freight cars, power lines and telephone and telegraph lines. The roof of the high school was removed.

Severe hail, described as rough chunks of ice the size of goose eggs, shattered windows and automobile tops throughout the city. No estimate of the insurance loss has been made.

New Texas Schedules

AUSTIN, TEX., April 17.—The Texas fire insurance department this week mailed out specific schedules of rates to the following towns, no changes being made in key rates: Brackettville, Arp, Carmine, Devine, Eagle Pass, Ennis, Gause, Lockhart, Lyons, Martindale, Milrondo City, Nacogdoches, Palestine,

Poynor, Troup, Waskon, Whitehouse, Winona.

Oklahoma Notes

Ed Galloway, Oklahoma City business man, addressed the Associated Fire & Casualty Underwriters Saturday on the value and the technique of advertising.

Fire Station No. 5, at Twenty-third street and Walker avenue, Oklahoma City, is practically completed. The new station was planned by Chief Goff and built by the firemen.

O. C. Gleiser, general agent in New York City for the Commercial Union, spent the week-end in Oklahoma City, guest of Howard Pate, state agent in Oklahoma. Mr. Pate was also host to F. W. Koeckert, United States manager, Friday.

Texas Notes

The Hotel Sheldon, a landmark at El Paso, Tex., was destroyed by fire of unknown origin a few nights ago. The loss was reported at \$150,000.

Lloyds of America, with headquarters at San Antonio, has opened a branch office in Dallas with Leonard Hyatt as manager. The company is writing all lines of fire and casualty business.

IN THE SOUTHERN STATES

TO LOOK AFTER LEGISLATION

Florida Association Names Special Committee for That Purpose—Other Committees Named

JACKSONVILLE, FLA., April 17.—A legislative committee of the Florida Local Underwriters Association, named at a meeting of the board of directors at Jacksonville Saturday, will go at once to Tallahassee to give attention to insurance matters pending and in the course of reaching the law makers for attention. The committee is made up of O. Earl Freeman of Daytona Beach, immediate past president, chairman; R. M. Prince of Tampa and Tom Elmore of Jacksonville. President Finley Cannon of Gainesville will be with the committee in its work.

Sympathetic Hearing Assured

With Frank Booth of Clearwater, member and a former president of the state association, as chairman of the insurance committee of the house, agents and others are assured of sympathetic hearing for anything that affects the business. The only bill in the mill is the compensation act, fostered by the labor unions. It was presented in the house by Speaker Getsen and in the senate by Senator Wagz, and is likely to have fairly easy sailing, as there is no state fund feature, which has all along been the stumbling block for legislation on this question. Other bills presented that interest insurance include some forms of building codes backed by the building forces of the state.

Other than the full committee on legislation these were named chairmen, to select their own associates: Membership, J. P. Welch, St. Petersburg; conference, Quinlan Adams, Orlando; fire prevention, J. P. McMillan, Coco.

Professor Dykeman, in charge of the insurance courses of the university, is to be made permanent secretary of the state association with the title of assistant secretary, so that there will be no breaks with the change of officers each year. The membership committee is also to work out a plan for zone officers to establish closer contact with the membership as a whole.

Field Man Is Injured

LOUISVILLE, KY., April 17.—Senator K. Gray, state agent in Kentucky for the Yorkshire group, is recovering from injuries suffered in an auto smash when a car in which he was a passenger met another coming in the opposite direction head on. Mr. Gray suffered a broken shoulder, a smashed rib, and a gash in the head which required several stitches to close. He came to in a hospital at Lexington. While back at his office in Louisville this week he is not able to use his right arm.

PROMOTIONS ARE ANNOUNCED

Manager C. A. Bickerstaff of the Fireman's Fund at Atlanta Advances R. W. Michael and S. W. Kenan

Manager C. A. Bickerstaff of the Fireman's Fund in its southern department at Atlanta announces the appointment of Russell W. Michael, agency superintendent, as assistant manager, sharing the duties with Assistant Manager Frank A. Sewell. Mr. Michael started with the Fireman's Fund in January, 1911. He went up through several desks in the southern department and then was appointed special agent and traveled in a number of states. He was appointed agency superintendent in January, 1927.

S. W. Kenan is appointed agency superintendent. He started with the southern department in February, 1920, as superintendent of the improved risk department.

WILL WORK IN TENNESSEE

A. A. Klinko of the National Association of Insurance Agents Starts a Membership Campaign

NEW YORK, April 17.—A. A. Klinko, assistant secretary of the National Association of Insurance Agents, will leave for Tennessee tomorrow to aid in the intensive membership campaign to be conducted by the state association the next two weeks. His services in that drive have been delegated by the national body at the solicitation of President George A. Caldwell of the Tennessee organization. Starting at Johnson City, Mr. Klinko will work first in the eastern section of the state in conjunction with W. M. Harris, president of the Johnson City Board, and with C. P. Edwards, Jr., of Kingsport. Following that he will cover the central territory under the direction of Miss Julia Hindman of Nashville, secretary of the state body. The itinerary for the western division has not yet been arranged. The campaign is in keeping with that provision of the National association five years development program, which urges at least a 10 percent annual gain in the organization membership. Mr. Klinko is an earnest and forceful speaker, enthused over his work and capable of inspiring others to the same end. His trip through Tennessee should prove highly successful.

Kentucky Is Districted

LOUISVILLE, April 17.—The policy of dividing up the state and arranging for field men to cover a given territory

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in the state for all companies in a group, instead of covering the whole state for one company, is gradually becoming more popular. Several companies are now using this system in Kentucky, where absence of a cross country railroad between southwestern and southeastern Kentucky results in long jumps via Louisville from western Kentucky to all points in northern, central and eastern territory.

The Hartford and Citizens have announced a districting policy under which R. P. Apperson, located at Lexington, Ky., will handle Lexington and eastern Kentucky; W. H. Strossman, Louisville and central Kentucky, and Tom G. Wilds, western Kentucky. J. H. Wells, farm department, will travel the whole state. Messrs. Strossman and Wilds until about the first of the year were with the Henry Clay Fire of Lexington, which discontinued business, after having been leased to the Hartford for seven years.

Formerly with Henry Clay

A. C. Kearns of Lexington, who was recently appointed general agent in Kentucky for the Preferred Risk Fire of Topeka, was formerly connected with the Henry Clay Fire. He served that company for many years in the field and in the office.

A. B. Gilbert Dies

A. B. Gilbert, 46 years of age, who

had been in the insurance business in eastern Kentucky for 15 years or more, died at Pineville, Ky., last week. At one time he had general insurance agencies at both Pineville and Hazard, Ky. At the time of his death he was general agent for Kentucky of the Columbia Life of Cincinnati.

Kentucky Notes

The Northern of New York, the American Constitution Fire and the American Home Fire of New York have been licensed in Kentucky.

J. J. Conway, superintendent of the Cincinnati Salvage Corps, addressed the Covington, Ky., Kiwanis Club on fire prevention. He stressed importance of the human element in preventing fire losses.

Virginia Notes

Companies on the home of Mrs. William Northrop at Forest Hill, near Richmond, which burned last week, suffered an estimated total loss on a schedule of \$30,000 on the residence. There was \$15,000 on the furniture. The companies suffered only a partial loss on this.

R. E. Brown, general agent at Richmond for several fire companies, is arranging to withdraw the London Assurance, one of his companies, from the F. H. Terry agency at Wytheville, Va., because of the agency taking on the Public Fire. The St. Paul Fire & Marine withdrew from the agency for the same reason several weeks ago.

Assistant Manager Harold A. Miller of the North America in the west is visiting Tennessee this week.

COAST AND MOUNTAIN FIELD

COLD SNAP HITS FRUIT CROP

Pacific Coast Insurance Men Concerned Over Destruction of Major Industry of California

SAN FRANCISCO, April 17.—Fire insurance men on the Pacific Coast are concerned over the destruction of the fruit crop in the state during the past two weeks as a result of unusual freak cold snaps and frosts which attacked the young fruit on the trees.

As fruit growing and packing are two of the major industries of California, the almost total destruction of the new crop means a serious blow to the many canneries throughout the state and present information is to the effect that many of these canneries will not be able to operate owing to lack of the raw material. It is conservatively estimated that only about one-third of these huge plants will operate at all during the 1929 season. Reports from official quarters are to the effect that more than \$50,000,000 of fruit has been destroyed.

Plays Important Part

The fruit industry plays a most important part in California insurance business and it was principally because of this fact that the short term use and occupancy form was adopted by the Pacific Board a few months ago. The canneries are all good customers of this class of business as well as fire and compensation insurance. It means that an army of trucks will lie idle, thus affecting automobile insurance, and box cars empty, meaning a material reduction in the premiums for transportation insurance in addition to the other standard coverages.

McKinney With Niagara

V. W. McKinney has been appointed special agent at Los Angeles of the Niagara and Maryland following his resignation as special agent for the Royal. He has been assigned to the southern California and Arizona field and will be associated with Special Agent Harry N. Benton.

Guy A. Inman's Change

Guy A. Inman has resigned as vice-president of the West American Commercial of Los Angeles to become associate general agent with Hinchman, Wentz & Miller, general agents in San Francisco.

SOUTHWESTERN FIRE STARTS

New Company With Home Office in Phoenix, Ariz., Has Now Gotten Under Sail

The Southwestern Fire of Phoenix, Ariz., with home office in the Security building, is now writing business. It has a reinsurance treaty with the Pacific American Fire of Los Angeles. J. R. Price is executive vice-president. Its statement as of April 1 shows assets \$524,056, capital \$260,000, net surplus \$255,213. Dean Stanley is president, C. T. Washburn vice-president, and George F. Price secretary. The underwriter is L. J. Colby. The directors are as follows:

Dean Stanley, Stanley Fruit Co.; O. Rey Rule, executive vice-president Pacific Finance Corp., Los Angeles; G. C. Spilsbury, manager Roosevelt Hay & Grain Growers, Mesa, Arizona; J. B. Bayless, president, Bayless Grocery Co.; Geo. W. Mickle, president Phoenix Title & Trust Co.; John G. O'Malley, president O'Malley Lumber Co.; C. T. Washburn, cashier First National Bank, Phoenix; Louis Sands, capitalist, Glendale, Arizona; Geo. E. Goodrich, physician and surgeon, Phoenix; F. B. Schwentker, state manager Arizona and New Mexico, Pacific Mutual Life; J. R. Price, state manager California State Life; C. A. Peter, former cashier Bank of Arizona, Prescott, Arizona; Dr. David L. Conner, real estate owner, Phoenix; D. W. Pierce, vice-president and general manager Pacific American Fire, Los Angeles; Joe C. Haldiman, Guardian Insurance Agency, Phoenix.

The officers say that the Southwestern Fire is owned by more than 300 Arizona residents. In addition to its admitted assets it has real estate mortgage loans awaiting title opinion amounting to \$142,600, stocks and bonds in foreign corporations \$42,300, deposits in building and loan associations of other states and insurance policies in the process of being surrendered amounting to \$30,200 or a total of \$215,100. These assets at present are not admitted assets under the Arizona law.

Recall San Francisco Fire

Thursday, April 18, is being celebrated in San Francisco as the 23rd anniversary of the great fire of 1906. The San Francisco "Chronicle," one of the leading newspapers of the city, is publish-

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STATEMENT JANUARY 1, 1929

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NET SURPLUS

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ASSETS

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SURPLUS FOR THE PROTECTION OF POLICY HOLDERS

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LOSSES PAID POLICY HOLDERS

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ing an elaborate six-page section devoted to a story of the part played by insurance in the rehabilitation of the city following the disaster.

The Kiwanis Club of San Francisco is holding a large demonstration meeting at which Mayor Rolph, Governor Young and other notables, including men who went through those trying times, rendering outstanding service, are to be guests of honor.

Guy C. Macdonald, well-known publicist, has charge of the Kiwanis meeting and has written much of the material appearing in the special section of the "Chronicle."

Cited for Revoking License

OLYMPIA, WASH., April 17.—A "show cause" order directed against Insurance Commissioner H. O. Fishback has been issued, ordering him to appear in court and tell why the American Automobile's license had been revoked. Colonel Fishback advised the company it was operating illegally in the state.

Gibbons Heads Adjustment Bureau

W. H. Gibbons, assistant general agent for Edward Brown & Sons, has been elected president of the Pacific Coast Adjustment Bureau, succeeding McClure Kelly of the North America.

Seattle Institute Plans

SEATTLE, WASH., April 17.—All committees appointed at a preliminary meeting last month in connection with the organization of a Seattle chapter of the Insurance Institute of America will report at a meeting called for April 26. Led by Percy Perry, a definite move for a local chapter is well under way.

Public Underwriters Appointments

C. W. Greene has been appointed special agent for the San Joaquin valley territory by Thomas V. Humphreys, general agent on the Pacific Coast for the Public Underwriters. He also appointed Harry Egan, as special agent to cover Oregon and Washington, with headquarters at Seattle.

Bureau Men on Eastern Trip

SEATTLE, April 17.—H. A. Patton of the Washington Surveying & Rating Bureau and E. G. S. Pryor of the Underwriters Laboratories are in the east on a three weeks trip. They attended the electrical council meeting at Chicago April 9-10 and also sat in at the electrical wiring code meeting for sub-stations and power houses.

Washington Insurance Legislation

OLYMPIA, WASH., April 17.—The only insurance legislation measure signed by Governor Hartley was a file providing for taxation of marine insurance companies on the basis of underwriting profits, making the law uniform with that of four other states. The governor

vetoed a bill which would have allowed Washington insurance companies to issue stock with a par value of \$10 instead of a minimum of \$100, as at present.

Plan New Seattle Company

SEATTLE, April 17.—This city will shortly have a new insurance company if efforts of James H. DeVeve of the DeVeve-Wurnstad Company; W. M. Short, vice-president of the Brotherhood Bank & Trust Company; D. K. McDonald of Carter, McDonald Company, and E. S. McCord, attorney, are fruitful. The company is to be known as the Seattle Fire & Marine, and its organizers plan to begin operations within two months.

F. R. Finley Dead

SEATTLE, April 17.—F. R. Finley, vice-president of the Northwestern Mutual Fire, died here last week from pneumonia. Mr. Finley was a close associate of F. J. Martin, founder of the Northwestern, who died two weeks ago. He had been with the Northwestern since 1906, having charge of the company's operations in Tacoma, Wash.

Coast Notes

Agents of the General of Seattle and First National are holding their annual convention in Seattle this week, the dates being April 18-19.

John H. Schively, secretary of the Insurance Federation of California, spoke before the Ladies' Legislative Club at Sacramento last week on "Humor." The club is composed of the wives of senators and assemblymen.

NEWS FROM THE EAST

PLAN NEW ENGLAND MEETING

Advisory Board Prepares for Agents' Association Meeting in White Mountains, July 9-11.

BOSTON, April 17.—The New England Advisory Board, composed of the presidents, secretaries and executive committee chairmen of the New England state agents' associations, has entered actively upon its preparatory work to make the annual summer convention of the New England Associations of Insurance Agents the most ambitious undertaking of the kind since the conventions were inaugurated.

The 1929 convention will be held in the White mountains at the Mount Washington hotel at Bretton Woods, which is at the foot of Mt. Washington. The board has tried for many years to secure this hotel, as being one of the very few in New England capable of handling the large number which attend the conventions, but the policy of the house up to this time has been against conventions. The exception in the case of the agents' gathering will be in the way of an experiment, and the agents will be the gainers.

The convention will open July 9, with the customary get-together dinner. There will be business sessions the mornings of July 10 and 11, with programs of sports and entertainment features each afternoon and evening.

NONASSESSABLE POLICIES NOW IN PENNSYLVANIA

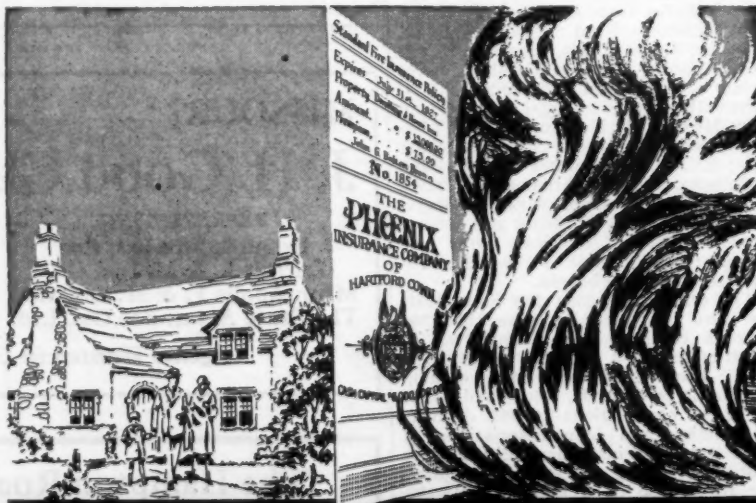
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partment that reciprocals could not legally issue a nonassessable policy, it being contrary to the principles on which such institutions were organized. Commissioner Taggart issued an order for all reciprocals to cease issuing this kind of a policy, the time limit being set for March 31. In the meantime a bill was introduced in the legislature legalizing the issuance of nonassessable policies by reciprocals. It was passed by the legislature and is in the hands of the governor to be signed. The insurance department, therefore, will not enforce its ruling until the question is passed on legally by the courts.

Modify Pennsylvania License Plan

Senate Bill 989 in the Pennsylvania legislature, which exempts agents who have been licensed for a continuous period from April 1, 1924, from taking any examination whatsoever to secure license to represent other companies, has been passed by the legislature.

Committee Members Named

Members of the general committee to make plans for the annual meeting of the Insurance Federation of Pennsylvania are: Harry I. Koch, vice-chairman; Miss Constance Edwards, chairman of the ladies' committee; Paul H. Miers, publicity; David J. Nagle, program committee; C. M. Stauffer, chairman entertainment committee; George C. Blum, entertainment committee vice-chairman, and H. D. Sollenberger, reception and reservation committee. All are citizens of Allentown, in which the convention will be held.

Caledonian Bowling Club

HARTFORD, April 17.—More than 100 guests and members attended the second annual banquet of the Caledonian Insurance Company Bowling Club. Robert R. Clark, manager of the company, gave a brief address in which he commended the club for its activities. Mr. Clark also awarded the "Clark Trophy" to the first prize team in the club, among other prizes for club activities. William F. Brown, assistant manager, also spoke.

Maryland Bills Signed

BALTIMORE, April 17.—The model arson law, sponsored by the National Fire Protection Association, a hose standardization bill which prevents the use of any hose couplings except those of the National Board, and a bill which gives broad powers of inspection to Maryland fire departments both paid and volunteer have been signed by Governor Ritchie.

The bill giving the powers of inspection to fire departments was introduced on request of the Maryland State Firemen's Association for the sole purpose of conferring the right to inspect risks outside of municipal limits upon the fire departments, so as to eliminate any bad county risks.

Pass Arson Law in Pennsylvania

HARRISBURG, PA., April 17.—Senate bill 857, the model arson law, has been passed by the legislature and is now in the hands of Governor Fisher, awaiting his signature. This is the same measure which is on the statutes of several states and which calls for jail terms for intent to burn or defraud as well as the actual commission of the crime.

Vote Down Municipal Insurance Scheme

BUFFALO, April 17.—This city will not embark in a municipal insurance scheme for at least another year. This was made certain when the city council voted 11 to 2 against a plan to cancel all fire insurance on city property and to develop a sinking fund to be used in case of loss. Five members of the city council who two weeks ago voted to cancel the policies now held when they expire changed their votes after listening to Philip J. Wickser and Jay W. Rose, who appeared for local agencies to protest against the proposed scheme. Joseph W. Becker, vice-president of the insurance firm of Gurney, Overturf & Becker, who first proposed the municipal insurance scheme, withdrew his plan and voted with those who changed their votes.

New Agency in Boston

A new agency has been launched in Boston, known as Noble & Brown, with offices at 89 Broad street. The firm has

heretofore conducted a general insurance and real estate office in Newton. It has taken the general agency of the Columbia Fire for Boston and the metropolitan district. W. Mark Noble, Jr., of Newton is president of the agency; Richard H. Brown of Newton is treasurer; M. C. Nutting is clerk and R. E. Sylvester is manager of the Boston office. He was formerly connected with Elmer A. Lord & Co.

Lawson Heads Chesapeake Pond

BALTIMORE, April 17.—The annual business meeting and election of officers of the Chesapeake Blue Goose, was held here last week. Frank W. Lawson, editor of the Baltimore Underwriter, was elected most loyal gander. Fred Wehrenberg, Jr., of the Baltimore American was made supervisor; Harry M. Wolf, guardian; Hart Cooper, welder; M. B. Seymour, keeper, all of Baltimore; Emil Bachschmid of Washington, custodian.

At the meeting there was considerable discussion regarding House Bill 239, concerning the removal of fire hazards.

Boston Protective Department Election

BOSTON, April 17.—At the annual meeting of the Boston Protective Department William E. Burrage of the Cambridge Mutual Fire was elected a director for a three-year term. George B. Proctor of Patterson, Wyde & Windeler and Arthur W. Burke, general agent of the Aetna Life group, were reelected directors for three-year terms.

The directors organized by reelecting Thomas H. Ratigan of John C. Paige & Co. as president for a second term, George E. Proctor as vice-president and Charles W. Godding as secretary-treasurer.

Extend Time for Payment

Governor Roosevelt has signed the Fedney bill amending the Greater New York charter by extending the time until which the tax on foreign insurance policies will be distributed to certain local organizations towards their support among which is included the New York fire department relief fund. The time was extended from 1932 to 1950.

Push Assessments on Failed Mutual

Policyholders of the Spring Garden Mutual Fire of York, Pa., now in receivership, have been notified by Col. Matthew H. Taggart, Pennsylvania commissioner, to pay their assessments by May 1. Colonel Taggart says that after May 1 interest will be charged on the claims. Notices of the assessment were sent out by the state March 1. S. Walter Bunting, special deputy insurance commissioner, is in charge of the liquidation. He has offices at 801 Drexel building, Philadelphia.

Minneapolis Board Meeting

MINNEAPOLIS, April 17.—At the quarterly meeting of the Minneapolis Board the delegates to the Birmingham meeting of the National association, R. M. Thompson and P. H. Ware, gave reports on that meeting. There was some discussion on the cooperative advertising program and the deferred payment plan of premiums. No definite action was taken on either subject.

Seaboard to Enter Pennsylvania

The Seaboard of Baltimore, which heretofore has confined its writings to Maryland and the District of Columbia, expects to enter Pennsylvania soon and will make agency appointments, to be announced later.

Eastern Notes

The Boston Board has amended its rules with respect to membership, stipulating that only agencies or companies carrying on business in Boston in good faith should be entitled to membership.

Clarence T. Hubbard, assistant secretary of the Automobile, was the chief speaker at the annual banquets of the Plainville and Rockville, Conn., chambers of commerce.

John C. Eckels, 71, founder and operator of the general insurance agency of this name in Carlisle, Pa., died at his home there after a lingering illness. He founded the agency nearly 50 years ago, continuing it until his health failed.

Read not to contradict and confute, nor to believe and take for granted, nor to find talk and discourse, but to weigh and consider.—Bacon



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IN THE CANADIAN FIELD

FIRE RESULTS BY PROVINCES

Alberta Shows Greatest Increase Over 1927—Little Improvement in Loss Ratios

The increase in fire insurance premiums in Canada last year was pretty well divided among the various provinces. Alberta shows the greatest increase, with Ontario second. New Brunswick, Nova Scotia and Yukon showed slight decreases. Alberta, however, also showed the greatest increase in losses, making its loss ratio higher than in 1927. None of the provinces showed a decrease in losses and the increases in most cases were fully equal to the increase in premiums. The figures by provinces for 1928 and 1927 follow:

Net Premiums Received		
	1928	1927
Alberta	\$ 4,683,187	\$ 3,950,495
British Columbia	5,966,890	5,668,634
Manitoba	4,180,082	3,794,086
New Brunswick	2,038,009	2,054,828
Nova Scotia	2,211,632	2,356,130
Ontario	18,649,206	18,086,748
Prince Edward Is.	253,659	252,225
Quebec	14,042,901	13,390,233
Saskatchewan	5,054,594	4,307,427
Yukon	12,192	13,535

Net Losses Incurred		
	1928	1927
Alberta	\$ 2,852,660	\$ 1,717,575
British Columbia	2,145,824	2,052,203
Manitoba	1,542,652	1,050,105
New Brunswick	1,018,730	818,293
Nova Scotia	1,321,195	1,151,033
Ontario	8,593,920	7,883,025
Prince Edward Is.	90,025	98,348
Quebec	6,741,375	5,515,001
Saskatchewan	2,251,296	1,644,836
Yukon	20,619	9,529

General Agency Appointments

Black & Armstrong of Winnipeg have been appointed general agents of the State of Pennsylvania for the province of Manitoba.

A. R. Howell & Co. of Montreal have been appointed general agents for the city for the North Empire. The new firm, which has also secured the general agency for the automobile department of the Prudential Assurance, will be conducted by A. R. Howell, in association with Percy H. Griffin.

Osborn & Lange, Montreal, have been appointed provincial agents for the province of Quebec for the China Fire.

Canada Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending April 3 are estimated at \$281,700, as compared with \$277,500 for the corresponding week of 1928. From Jan. 1 to

April 3 losses are estimated at \$6,687,000, as compared with \$5,224,400 from Jan. 1 to April 3, 1928.

Finds Rate Raise Justified

WINNIPEG, April 17—In connection with the recent increase in automobile insurance rates in Manitoba, the executive committee of the Manitoba Motor League, after conducting an inquiry, reported that "due to the very heavy increase in accidents, public liability losses and other serious considerations, the rates appeared to be justified and a solution of the trouble must be looked for in another direction." Manitoba has the highest record, with one exception, of all the Canadian provinces, as regards accidents and claims following accidents.

Church Losses Continue

At Toronto the chancel interior of the Anglican church of St. Alban the Martyr was gutted by fire. Many of the altar and floor furnishings were destroyed and the memorial organ was seriously damaged and several costly windows ruined. The damage is estimated at between \$40,000 and \$50,000, covered by insurance.

The Roman Catholic parish church at St. Norbert, a suburb of Winnipeg, was completely destroyed by fire last week, resulting in a loss estimated at \$50,000, partly covered by insurance. The blaze started in the church tower and the cause is assigned to defective wiring.

Won't Require Sprinklers for Theaters

WINNIPEG, April 17—In face of strong opposition by the city council of Winnipeg, the law amendments committee of the provincial legislature turned down a proposal calling for the installation of sprinklers and fire alarms in the city's theaters. The committee authorized an amendment to the city charter requiring alarm systems in apartment blocks, hotels, lodgings and other such buildings, but deleted the part as to applying to theaters after a strong request had been made by theater owners.

Canadian Notes

The Universal of Newark has been licensed for inland transportation in Canada.

Frank Monahan has been appointed manager of the Vancouver office of Alfred W. McLeod, Ltd., provincial managers and general agents for the General Accident, Guildhall and the British America and Western group.

Thirteen clothing and fur firms and a publishing concern in the Acme building, Toronto, suffered a loss totaling \$30,000, when fire broke out in the seventh floor of the building. Fire originated from an unknown cause in the premises of the London Hat Company.

MOTOR INSURANCE NEWS

MICHIGAN AGENTS PROTEST

New Schedules Felt to Be Inopportune in Face of Competition of "at Costers"

LANSING, MICH., April 17.—A definite protest against new automobile schedules recently decreed by the conference for Michigan territory is to be lodged by the various agents affected through the automobile committee of the state association, it was agreed last week at conference between members of the state committee with the auto committee of the Detroit Board. A readjustment of the rates to assist the stock company agents in repelling the competitive onslaughts of the mutuals and reciprocals will be earnestly sought, it was indicated.

The Lansing Board, at its last meeting, discussed the subject from all angles and while admitting that the companies probably needed higher schedules to balance their losses, ques-

tioned the judgment of conference officials in trying to enforce an upward revision in the territory in view of the terrific competition to which Michigan agents writing auto lines have been subjected from the numerous and powerful "at costers."

MANAGER CLAIMS CREDIT FOR MERIT RATING PLAN

The advisory board of the Interinsurance Exchange of the Automobile Club of Missouri at its annual meeting in St. Louis last week declared a refund amounting to 20 percent of the annual premiums paid.

Matt F. Morse, secretary and general manager, at the meeting claimed credit for the 10 percent reduction in liability insurance rates which leading stock insurance companies plan to pay to policyholders with approved records. This reduction has been approved by the Missouri insurance department and became effective on April 1. Mr. Morse also charged stock companies make an addi-

tional charge of \$12.50 for accessories.

Mr. Morse's statement was given prominent space by the St. Louis "Globe-Democrat," and was later challenged by the officers of seven leading automobile insurance companies and agencies, including E. J. Mantel, vice-president and general manager of the American Automobile; W. M. Byrne, president of Lawton-Byrne-Bruner; J. F. Hickey, president Mercantile Insurance Agency; J. R. Harkins, president of Harkins, Eggert & Carroll agency; F. M. Deuchler of the Standard Underwriters Agency; Charles H. Morrill of W. H. Markham & Co., and L. H. Trout, secretary-treasurer of General Insurers.

The "Globe-Democrat" was informed that the interinsurance exchange policy contract regarding accessories is no different from the regular stock insurance policies and the \$12.50 additional premium mentioned by Mr. Morse has never been charged by stock companies in Missouri. The stock men also denied emphatically that the automobile club was responsible for a nation-wide reduction in liability rates which was made by the National Bureau of Casualty & Surety Underwriters in New York and based entirely on the combined companies' experience throughout the country.

UNIVERSAL COMPANIES EXTENDING THEIR SERVICE

Edward T. Harrison, president of the Universal Automobile of Dallas, has announced that the company has been licensed to write full coverage automobile insurance in Illinois. Illinois business will be under the direct supervision of the Universal's central west department at Indianapolis. George R. Mullins is manager of that department. The Universal Automobile is an exclusive automobile insurance company, having made great strides in the past few years. The company is now operating in 20 states.

The Universal Automobile and Universal Casualty have opened a branch claim office in 407 Wheat building, Fort Worth, Texas. President Harrison states that it was another step forward in the rendering of a specialized service to Universal agents and clients in Fort Worth and vicinity. J. W. Beazley, adjuster, is in charge of the new office.

Wind Up Bankers Automobile

LINCOLN, NEB., April 17.—Marcus L. Poteet, attorney and liquidating agent of the Bankers Automobile of Lincoln, under receivership for eight years, has asked for his discharge. He reports that all creditors have been paid in full, and he has on hand a sufficient sum to pay stockholders a second and final dividend of \$7.57 a share. The stockholders had previously been made a \$15 dividend, thus giving them back \$22.57 of the \$50 originally paid for shares. A hearing will be held April 24 on the application.

The company was one of three organized in the promotional period following the war by H. W. Kenyon of Chicago, C. E. Malxner and others of Lincoln, and went on the rocks when deflation came. Two of the promoters drew prison terms for illegal acts in connection with the manipulation of its affairs, and one Lincoln bank was helped into bankruptcy by its connection with it.

Award County Business at Buffalo

BUFFALO, N. Y., April 17.—Erie county awarded all its automobile insurance for the next fiscal year to Armstrong, Roth, Cady & Co., which submitted the best bid in an open competition for this insurance. The successful bid was \$10,378 in premiums, covering 122 trucks, tractors, rollers and shovels and 74 passenger cars. The only other bid was one of \$14,079 from the Employers Liability.

"There are two ways of making yourself stand out from the crowd," declares Henry Ford. "One is by having a job so big you can go home before the bell rings if you want to. The other is by finding so much to do that you must stay after the others have gone. The person who enjoys the former once took advantage of the latter."

MARINE INSURANCE NEWS

MEXICAN LAW NOT EFFECTIVE

Statute of Limitation Does Not Affect Cases Over Which Texas Court Has Jurisdiction

AUSTIN, TEX., April 17.—Contracts made in Mexico, where a one-year statute of limitation is effective, are not invalidated by expiration of this time, when Texas courts have jurisdiction and are governed by a longer period of limitation, the Texas supreme court held in affirming judgment of the court of civil appeals rendered in the case of the Home vs. C. J. Dick et al., from Galveston county.

Dick filed suit in Galveston county against the Compania General Anglo-Mexicana de Seguros, S. A., to recover \$35,000 in insurance with interest for a boat burned at Tampico, Mexico, in July, 1921. Ancillary writs of garnishment were sued out against the Home and the Franklin Fire, both of which had reinsured the policy on the boat. The trial court gave judgment to plaintiffs and the judgment was affirmed by the appellate court.

The court of civil appeals held, and was upheld by the supreme court, that courts of Texas had jurisdiction in the case because of the presence of the Home and Franklin Fire.

Swiss Company Seeks Lake Business

Entry into the marine insurance field in the Great Lakes region has been started by the Switzerland General. The company has already issued policies covering the operations of three of the largest companies having fleets on the New York state barge canal, the Brooklyn & Buffalo Navigation Corporation, the Marine Transit Corporation and the Buffalo Barge Towing Company. About 250 tugs and barges have been covered to date by the Swiss company, it is said, and additional business is being sought.

Great Lakes Season Opens

BUFFALO, April 17.—With the first arrivals and clearances from this port on April 12, navigation was opened on the Great Lakes with prospect of a fine early season business. A heavy tug broke through the ice field from Cleveland to open the season here while a few hours later the steamer Snider passed out of the local harbor and also succeeded in getting through the 40-mile ice pack with only minor delay. With 85,000,000 bushels of grain at the head of the lakes, many steamship operators were ready to risk the dangers of early season navigation to load cargoes as soon as possible while good prices for moving grain were still available. Marine underwriters look for a very satisfactory season all around on the inland waterways.

C. P. Helliwell of Milwaukee, general agent of the Halifax Fire, is now out of the hospital and is back in the field.

GREAT LAKES SEASON OPENS

Companies Made Some Money Last Year—Prospects for This Year Are Bright

The Great Lakes marine season opened on Monday this week. Last season was more profitable for the lake hull and cargo writing companies than was the 1927 season, when end-of-the-season

losses at the head of the lakes knocked a large hole in the profits. The companies expect that, barring unforeseen large losses, they will make some money this year also.

A few more companies will write the various lines this year than wrote them last year. The Lake Hull Syndicate is the big factor in the hull field, although by no means all of the business is written through this organization.

Travelers All-Risks Floater

An all-risks personal effects floater policy is now being written by the Travelers, according to a recent announcement made by Robert H. Williams, vice-president.

IN THE MOUNTAIN FIELD

MAY QUIT WRITING OF HAIL

Private Companies Likely to Withdraw if State Fund Bill Is Passed in Colorado

DENVER, COLO., April 17.—Should the proposed hail insurance bill (House Bill No. 161) become a law in Colorado, the private insurance companies probably will withdraw entirely from the hail insurance field. This was indicated in certain hail insurance writing circles here today.

The bill has passed in the house of representatives on third reading, and is now in the senate committee where a hearing will be given the opponents of the bill this afternoon. Farming interests are backing the bill and it is predicted in a number of insurance offices that string political pressure will force the bill through the senate and obtain the signature of the governor.

"For years the stock companies have handled this business at a heavy loss," Frederic Williams, secretary of the Rocky Mountain Fire Underwriters Association, said. "In 1922 the premiums from all the hail business in Colorado amounted to \$1,051,803, while the losses were \$1,240,338, and during the past seven years the losses and expenses have exceeded the premium income by 25 percent. All mutual hail companies which were operating in Colorado have either failed or retired from this field.

"In spite of these conditions," said Mr. Williams "private companies have continued to take care of this hail insurance business as a moral obligation to meet the needs of the communities which have favored them with the more profitable classes of business. But, if the state of Colorado is going to enter the hail insurance business, collect and guarantee assessed monies in what would otherwise be a mutual insurance company, then I believe the stock companies will be justified in withdrawing from the less desirable sections of the state."

It is claimed by opponents of the bill

that the operation of the state fund will create an expense of more than 10 percent of the indemnity tax, which is the margin between the premiums and losses with the private insurance companies. It was indicated on the floor of the house that the state fund will endeavor to write business at considerably lower rates than the private companies, but the answer to this by opponents is that the business may be written at much less than cost, followed by the levy of a heavy deficiency by the state to make up the difference.

No Money for First Year

Opponents also point out that the bill provides no money for the payment of losses during the first year, thus necessitating the issue of warrants, bearing 6 percent interest. This, they claim, will be necessary because the measure anticipates that hail insurance will be written in the spring of 1930, and the indemnity tax levy cannot be collected until after Jan. 31, 1931. It is also argued against the bill that it makes no provision for eliminating the moral hazard. It is said that an amendment has been proposed to the law of North Dakota in order that the hail commissioner may legally refuse insurance to unsatisfactory claimants.

Louis Shine's New Post

The Mid-West Agency Company, the only general agency, with headquarters at Pueblo, Colo., has engaged Louis Shine as chief underwriter. He spent several years with the Missouri Inspection Bureau. Following that, he was special agent for the National Security Fire of Omaha and for five years special agent of the New Zealand, covering Colorado, Wyoming, New Mexico, Utah and Montana. Mr. Shine has also had some agency experience. For several years he was staff adjuster for the Denver Adjustment Company.

May Cut Colorado Springs Department

COLORADO SPRINGS, April 17.—City Manager A. M. Wilson plans to confer with representatives of the National Board to see what effect a reduction of the fire department of Colorado Springs would have on fire insurance rates. At the present time Colorado Springs is enjoying very low rates, due to the fact that it maintains one of the best and largest fire departments for a town of its size in the country. Mr. Wilson wants to see if the savings in taxes would make up for the increased insurance premiums if the city decides to centralize its fire department by a reduction of personnel and the concentration of equipment in fewer stations. The fire department now has 43 men in it, which is higher than the average ratio of one fireman to every 1,000 persons.

W. P. Coffey Seriously Ill

DENVER, April 17.—W. P. Coffey, who has been connected with the Fireman's Fund for 22 years, is reported seriously ill here at St. Joseph's hospital. Although Mr. Coffey retired from active service in January, he attended the meeting of the company in San Francisco early in the year. While there he was compelled to enter a hospital, but was able recently to return to Denver.

He has been in poor health for two years.

State Hail Bill in Colorado

DENVER, April 17.—A hail insurance bill, providing for state insurance, has been passed by the Colorado house of representatives on first reading. The bill provides for the payment of premiums by taxation on irrigated lands.

It is reported that for the last four years premiums collected by the insurance companies have averaged \$750,000 per year while the losses have averaged \$650,000.

To Check False Alarms

DENVER, April 17.—Fire Chief John F. Healy in an endeavor to forestall the practice of sending in false alarms, has issued orders that only those companies close to certain boxes will make the immediate run, while others which would ordinarily make the run will remain in the house until released for the run by the fire tower operator.

Has Colorado Only

In a recent announcement of the appointment of the Mid-West Agency Company of Pueblo, Colo., as general agent for the Buffalo, it was stated that this appointment was for Colorado, Wyoming and New Mexico. It is for Colorado only.

The Columbia Fire of Dayton, O., has been licensed in Colorado.

ARE YOU THE SHOEMAKER?

What protection have you sold your clients to save them from loss of rents or rental value on their mercantile buildings and their homes?

Where would you go if a fire or wind would make your home untenable? What would it cost you if you had to have a roof over your head during replacement of your home?

Write a policy today in one of our companies protecting you against this hazard. After you have this protection you can successfully sell your clients.

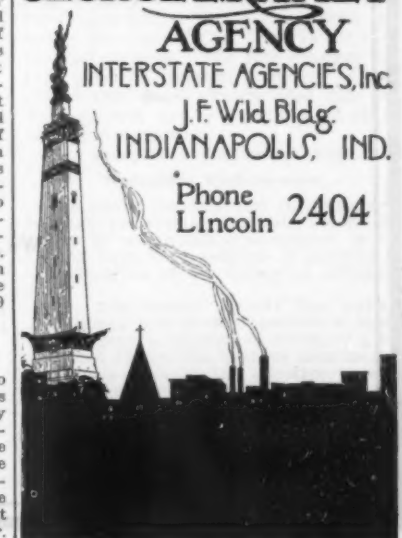
OUR POLICY
To safeguard and advance
the interests of our agents by
consistent betterment of our
facilities.

GEORGE L. RAMEY
AGENCY

INTERSTATE AGENCIES, Inc.

J. F. Wild Bldg.
INDIANAPOLIS, IND.

Phone
Lincoln 2404



FIRE REINSURANCE TREATIES

Eagle Fire Insurance Company
(NEW JERSEY)

Baltica Insurance Co., Ltd.
(DENMARK)

Franklin W. Fort

Thomas B. Donaldson

18 WASHINGTON PLACE, NEWARK, N. J.

BANKERS INDEMNITY INSURANCE COMPANY

31 Clinton Street
Newark, N. J.



Surplus
to Policyholders
\$2,000,000.00

Financial Statement as of December 31, 1928

ASSETS		LIABILITIES	
Bonds and Stocks — Market Value	\$2,900,900.00	Premium Reserve	\$1,099,586.63
First Mortgages on Real Estate ..	419,110.00	Claim Reserve	723,404.00
Cash in Banks and Office	293,165.06	Other Liabilities	152,260.00
Premiums Outstanding	473,072.34	Voluntary Reserve for Contin-	
Interest Accrued	33,902.02	gencies	146,295.79
Other Admitted Assets	1,397.00	Capital	1,000,000.00
		Surplus	1,000,000.00
	<u>\$4,121,546.42</u>		<u>\$4,121,546.42</u>

The Company is licensed to write business in:

Alabama	Iowa	Ohio
California	Maryland	Pennsylvania
Colorado	Maine	Rhode Island
Connecticut	Michigan	South Dakota
Delaware	Minnesota	Vermont
Georgia	New Hampshire	West Virginia
Illinois	New Jersey	Wisconsin
Indiana	North Dakota	Washington, D. C.

The following lines were written in 1928:

Owners', Landlords' & Tenants' Liability	Automobile Personal Injury Liability
Workmen's Compensation Insurance	Automobile Property Damage Liability
Sports' and Golfers' Liability	Automobile Collision Damage Sustained
Teams' Liability	Personal Accident Insurance
Burglary Insurance	Manufacturers' Public Liability
Plate Glass Insurance	Contractors' Public Liability

We have recently inaugurated a
Fidelity and Surety Dept.

Under the Management of

George W. Donnan
Asst. Secretary

We shall be glad to consider Applications for Agencies.

Frederick E. Wilkens,
V. P. & Gen. Mgr.

The National Underwriter

April 18, 1929

CASUALTY AND SURETY SECTION

Page Forty-three

INSTALLMENT PLANS MERIT RATING RAPPED

New Hampshire Commissioner
Disapproves of Their Use in
His State

CONFERENCE IS HELD

Representatives of the Travelers and
Other Companies Present Cast
Votes in Opposition

CONCORD, N. H., April 17.—"All merit rating plans relating to automobile coverages as defined in our motor vehicle insurance law have been disapproved for use in New Hampshire," reads a ruling issued by the New Hampshire commissioner, John E. Sullivan, and made effective April 15. It is binding on all companies writing automobile in the state. Another ruling says: "The varied proposed installment premium payment plans have been disapproved for use in New Hampshire."

The National Bureau of Casualty & Surety Underwriters has been authorized to promulgate rates, rules and regulations for the automobile business in New Hampshire. The rulings quoted above appear in a communication to all the companies writing the auto line in the state. The full text of the commissioner's report and the communication follow:

"Our present legislature amended the insurance laws of our state, vesting with the insurance commissioner specific authority respective to automobile liability premium rates.

Business Well Represented

"Pursuant thereto the insurance commissioner called a conference which was attended by representatives of the following companies: New Hampshire Mutual Liability, New Hampshire Fire, Lumbermens Mutual Casualty, Liberty Mutual, Employers Liability, Travelers, United States Fidelity & Guaranty and the Hartford Accident. The New Hampshire Agents Association was represented by George F. Trask, Keene, president; Frank DeMerritt, Exeter, secretary; Charles W. Varney, Rochester; Arthur Rouillard, Claremont; Phillip C. Lockwood, Manchester; Louis Elkins, Concord; G. Allen Putnam, Manchester; Frank M. Cilley, Exeter; the National Bureau, and the Eastern Automobile Conference.

The subjects under discussion were: Bureau to develop rates; installment plan for payment of premiums; merit rating plan; redistricting territorial zones.

Two Territories Favored

"Expressions of representatives present favored establishing two territories: Territory 1 to include Manchester, Nashua and Concord; Territory 2 to constitute the remainder of the state.

(CONTINUED ON PAGE 50)

TREASURY DEPARTMENT LISTS SURETY COMPANIES AS TO QUALIFYING POWERS

Companies	Capital Stock	Surplus and Undivided Profits	Limit on Any One Bond
*Associated Indemnity, San Francisco.....	500,000	\$ 1,000,000	\$ 150,000
*International Re-Insurance, Los Angeles.....	1,000,000	1,587,159	258,715
National Automobile, Los Angeles.....	250,000	334,169	58,416
Occidental Indemnity, San Francisco.....	500,000	469,324	96,932
Pacific Indemnity, Los Angeles.....	1,500,000	1,725,139	322,513
Aetna Casualty & Surety.....	3,000,000	12,243,650	1,524,365
Century Indemnity.....	1,000,000	492,439	149,243
Hartford Accident & Indemnity.....	1,000,000	8,685,190	968,510
*Saint Paul-Mercury Indemnity, St. Paul.....	800,000	534,609	133,460
Continental Casualty, Chicago.....	3,000,000	3,500,000	650,000
Inland Bonding, South Bend.....	300,000	185,739	48,573
*Federal Surety, Davenport.....	1,500,000	442,677	194,267
Union Indemnity, New Orleans.....	2,500,000	896,775	339,677
American Bonding, Baltimore.....	1,000,000	571,790	157,179
Fidelity & Deposit.....	5,000,000	6,877,603	1,187,760
Maryland Casualty.....	5,000,000	7,118,905	1,211,890
United States Fidelity & Guaranty Co.....	10,000,000	15,948,226	2,594,822
American Employers, Boston.....	1,000,000	601,852	160,185
Massachusetts Bonding.....	4,000,000	6,046,801	1,004,680
Central West Casualty, Detroit.....	1,000,000	458,329	145,832
Detroit Fidelity & Surety, Detroit.....	2,000,000	931,504	293,150
General Casualty & Surety, Detroit.....	350,000	132,589	48,258
National Casualty, Detroit.....	750,000	750,000	150,000
Standard Accident.....	2,500,000	2,500,960	500,096
Central Surety, Kansas City.....	1,000,000	1,147,346	214,734
Employers Reinsurance, Kansas City.....	1,500,000	2,250,000	375,000
*Bankers Indemnity, Newark.....	1,000,000	1,000,000	200,000
Commercial Casualty, Newark.....	2,500,000	2,500,000	500,000
*Excess Insurance Co., New York.....	750,020	1,245,051	199,507
*Hudson Casualty, Jersey City.....	1,000,000	374,135	137,413
International Fidelity, Jersey City.....	300,000	1,425,742	172,574
Liberty Surety Bond, Trenton.....	845,599	245,943	109,154
New Jersey Fidelity & Plate Glass.....	800,000	1,631,092	243,109
Reliance Casualty, Newark.....	600,000	531,190	118,119
American Surety of New York.....	5,000,000	6,019,448	1,101,944
Capital City Surety, New York.....	250,000	66,143	31,614
Columbia Casualty, New York.....	1,000,000	1,270,666	227,066
*Consolidated Indemnity, New York.....	1,200,000	4,848,091	604,809
Eagle Indemnity, New York.....	750,000	520,675	127,067
Equitable Casualty & Surety, New York.....	1,000,000	1,232,035	223,203
Fidelity and Casualty, New York.....	4,000,000	7,996,613	1,199,661
Franklin Surety, New York.....	700,005	685,131	138,513
*General Reinsurance, New York.....	1,500,000	1,603,035	310,303
*General Surety, New York.....	4,000,000	9,947,076	1,394,707
Glens Falls Indemnity, Glens Falls.....	1,000,000	500,000	150,000
Globe Indemnity, Newark, N. J.....	2,500,000	5,000,000	750,000
Great American Indemnity, New York.....	1,500,000	2,265,790	376,579
Greater City Surety & Indemnity, New York.....	250,000	121,306	37,130
Guardian Casualty, Buffalo.....	1,000,000	700,000	170,000
London & Lancashire Indemnity.....	750,000	1,091,485	184,148
Metropolitan Casualty.....	1,500,000	3,778,610	527,861
National Surety.....	15,000,000	12,087,112	2,709,712
New Amsterdam Casualty, Baltimore.....	3,000,000	7,000,000	1,000,000
New York Casualty.....	1,500,000	2,862,429	436,242
New York Indemnity.....	1,000,000	562,299	156,229
Northeastern Surety, New York.....	1,100,000	326,810	142,681
*Preferred Accident.....	3,500,000	2,036,978	653,697
Royal Indemnity.....	1,000,000	4,578,532	557,853
Seaboard Surety, New York.....	1,000,000	1,049,678	204,967
Southern Surety of New York.....	2,500,000	1,442,117	394,211
*Standard Surety & Casualty, New York.....	1,000,000	1,600,027	260,002
Sun Indemnity, New York.....	700,000	418,454	111,845
United States Casualty.....	1,500,000	2,332,214	383,221
United States Guaranty, New York.....	1,000,000	2,225,639	322,563
Ohio Casualty, Hamilton.....	250,000	500,293	75,029
*Alliance Casualty, Philadelphia.....	1,000,000	955,846	195,584
*American Reinsurance, New York.....	750,000	1,591,106	234,110
Constitution Indemnity, Philadelphia.....	1,000,000	758,683	175,863
Eureka Casualty, Philadelphia.....	500,000	1,000,000	150,000
Indemnity Insurance Co. of North America.....	1,000,000	4,156,283	515,628
Independence Indemnity, Philadelphia.....	1,500,000	528,708	202,870
National Union Indemnity, Pittsburgh.....	1,000,000	203,543	120,354
Pennsylvania Surety, Pittsburgh.....	500,000	500,000	100,000
Western Surety, Sioux Falls, S. D.....	286,900	85,538	37,243
American Indemnity, Galveston.....	600,000	539,975	113,997
*Employers Casualty, Dallas.....	300,000	212,616	51,261
Acceptable only on bonds required in judicial proceedings.			
General Casualty, Seattle.....	500,000	751,307	125,130
Northwestern Casualty & Surety, New Orleans.....	750,000	606,873	135,687

Foreign Companies Authorized to Do a Reinsurance Business Only

	Net Assets	Qualify- ing Power
Employers' Liability, London.....	\$7,536,039	\$753,603
European General Reinsurance.....	2,500,000	250,000
Guarantee Company of North America.....	1,416,786	141,678
London Guarantee & Accident.....	4,195,734	419,573
Ocean Accident & Guarantee Corporation.....	5,805,720	580,572

*Certificate of authority issued March 26, 1929.

*Certificate of authority issued Feb. 25, 1929.

*Certificate of authority issued March 16, 1929.

*Certificate of authority issued Dec. 19, 1928.

*Certificate of authority issued March 30, 1929.

*Certificate of authority issued March 27, 1929.

*Certificate of authority issued Dec. 15, 1928.

*Certificate of authority issued Nov. 1, 1928.

*Certificate of authority issued March 30, 1929.

*\$600,000 transferred from capital to surplus on Jan. 28, 1929. \$350,000 additional capital and \$650,000 additional surplus paid in Feb. 7, 1929.

†Domestic companies authorized to do a reinsurance business only.

NEW MERIT RATING PLAN IS ADOPTED

Companies Agree on An Endorse-
ment to Replace Former
Scheme

IS LESS CUMBERSOME

Now Believed That the Business Will
Settle Down and Be Reconciled
to the Method

OKLAHOMA CITY, April 17.—At a meeting Saturday the Oklahoma insurance board disapproved the merit rating plan for passenger automobiles for the time being, at least until after the conference to be held by companies in New York. The board, however, is willing to reconsider the matter when the companies come to a satisfactory agreement as to the plan they will use, Secretary Roark explained.

NEW YORK, April 17.—As the outcome of a series of conferences recently between Superintendent Albert Conway and officials of casualty companies the serious upheaval in the business resulting from the introduction of the merit rating method for writing automobile liability and property damage coverage has apparently been settled through the acceptance by the companies of a form of policy endorsement, use of which it is felt will overcome the many and serious objections offered to the plans previously put forth.

New Endorsement Prepared

The new arrangement, which has been sanctioned by the National Bureau of Casualty & Surety Underwriters, and which is now in effect, provides for a flat reduction of 10 percent to all assureds owning private passenger cars who have had a good experience record for the past two years, with an offsetting penalty charge of twice the rate concession added should the record fall below the standard set forth in the policy endorsement. The rate changes apply only to manual figures. Those offices that have already filed rate reductions will not be permitted to make further concessions.

The accepted endorsement reads:

Reduction Endorsement

The public liability and (or) property damage premiums charged under the policy to which this endorsement is attached have been reduced 10 percent in consideration of the following information:

(1) The named assured has owned, maintained and used or permitted to be used a private passenger automobile for a period of not less than 24 months immediately prior to the effective date of this policy.

(2) No private passenger automobile owned by the named assured has been involved in an accident resulting in bodily injury or damage to the property of another in consequence of which loss for either personal injury or property

(CONTINUED ON PAGE 48)

CONNECTICUT CONSIDERS AUTO MERIT RATING LAW

STATE WOULDN'T FIX RATES

Provides Four Classifications—Careless and Law Breaking Operators Would Pay Higher Premiums

HARTFORD, April 17.—The committee on motor vehicles of the Connecticut general assembly is considering a modified form of the merit rating plan on automobile liability insurance and bonds, with the cost graded according to the driving records of the assured. The plan is a project of Robbins B. Stoeckel, motor vehicle commissioner of Connecticut. Under the proposal, every operator with an accident or motor vehicle law violation record will be grouped and classified by the state. The insurance rates charged will be graded by the insurance or bond writers upward from the base rate for operators with good records. The committee is drafting the bill and a hearing is expected next week. The bill results from a long study of merit rating schemes by the state motor vehicle department. It has the approval of the state insurance commissioner and has the tentative support of many large insurance and bond companies.

No Change for Majority

The rates for liability insurance paid by a majority of the car owners would not change at the outset under the proposed law. It is expected to increase the cost for those frequently in accidents and habitual violators of the motor vehicle law. With the bad record drivers bearing the brunt of the losses paid by insurance companies, through increased premium charges, instead of these losses being distributed to all insureds, it is believed that in a short time the companies can provide special credits of sufficient size to materially decrease the cost for careful drivers.

The state would not attempt to determine rates or supervise them under the proposed law. The state would merely function as a classifier of personal risks.

Subject to 10 Percent Increase

The proposed classification would begin with those including voluntary applicants who would come within the standard base rate applicable to all unclassified persons. The second group would be subject to a 10 percent increase in liability insurance rate. This group would include all persons convicted of reckless driving and fined an amount up to \$50. It would also include persons convicted of speeding, operating a public service motor vehicle without proper license, failure to obey an officer, operating without owner's permission, leaving motor vehicle in a dangerous position, improper passing of standing trolley car, operating with improper mechanical equipment, improper use of registration, evading responsibility after a slight accident; and those involved in one nonfatal or personal injury accident.

Includes Reckless Drivers

The next class would include all persons subject to an increase of 25 percent above the base charge for insurance. Those affected would be those convicted of reckless driving and fined more than \$50; those convicted of any combination of offenses listed in the 10 percent class or operating a motor vehicle while intoxicated. The other offenses which place a person in this class are evading responsibility after personal accident injury; those involved in fatal accidents and those convicted of any offense under Class A after an accident.

The last group would be compelled to pay an increase of 50 percent above the base rate. Repeated offenders would be included under this classification.

WATSON POWELL TO HEAD NEW COMPANY

AMERICAN UNION CHARTERED

Des Moines Accident and Health Carrier Launched by Present Vice-President of Southern Surety

DES MOINES, April 17.—The American Union Insurance Company of Des Moines has been granted a charter by Commissioner Yenter. The head of the new organization is Watson W. Powell, vice-president of the Southern Surety and head of its health and accident department, which remained in Des Moines when the other departments were removed to St. Louis.

It is planned to have the new organization in full operation by May 1. It will be a mutual, legal reserve company, writing health and accident insurance only. It will have its home office on the fourth floor of the Royal Union Life building and will first develop business



WATSON W. POWELL

in Iowa, after which its activities will be extended to other states.

Powell Will Be President

Mr. Powell will be president; E. H. Mueller of Madison, Wis., vice-president, and J. E. Atwood of this city, secretary-treasurer. These officers, with F. E. Maginty of St. Louis and E. E. Powell of Des Moines, will constitute the board of directors. All are in and actively identified with the accident and health department of the Southern Surety.

Mr. Powell announces that he will remain with the Southern Surety in an advisory capacity temporarily. He established the health and accident department of the Southern Surety and developed the department until it had a premium income of more than \$2,000,000 last year and has 50 employees at the head office here.

Mr. Powell is now president of the Health & Accident Underwriters Conference and has been active in that organization for many years. He states that the health and accident department of the Southern Surety will remain in Des Moines indefinitely.

Glens Falls Los Angeles Branch

R. H. Griffith, vice-president and Pacific Coast manager for the Glens Falls Indemnity, has announced the establishment of a Los Angeles branch, to be opened April 22, in charge of Ben C. Sturges as branch manager. The branch will occupy offices temporarily with the Glens Falls Fire in the Insurance Exchange building, pending the opening of the Garfield building now under construction and nearing completion at Eighth and Hill streets, in which both companies have reserved space.

ROCHESTER BOARD BACKS MERIT RATING

CLAIM IT IS PROGRESSIVE

Agents Declare Companies Should Confer With Sales Forces Before Taking Such Vital Steps

The Underwriters Board of Rochester, N. Y., at its recent meeting approved the merit rating plan in automobile insurance. It believes it should be extended to commercial cars. The Rochester agents say that the merit rating plan is a step in the right direction and should be given a fair trial. The purpose, the resolutions declare, is to prevent accidents by securing voluntary cooperation of drivers. The careful driver, the resolutions say, should not be forced to pay the same rates as the careless or indifferent motorists.

Protests Flat Reduction

The Rochester Board does not favor a flat reduction in rates to all drivers as a substitute for merit rating. It believes that such action would tend to destroy public confidence in insurance companies and their agents. The agents declare it would lose the advantages of good will with which the announcement has been received. Even after a flat reduction the Rochester agents say there would still be a demand on part of careful drivers for merit rating.

The Rochester Board opposes any rate war or competition in rates. The Rochester Board says the companies have by their failure to discuss the proposed change in rates and methods of underwriting with the agents' associations before enacting them demonstrated the folly of such procedure in the confusion and turmoil which has followed. Conference and cooperation with the agents' association would have avoided this, in the opinion of the Rochester Board. The Rochester Board further says that if the companies continue to ignore this principle, public suspicion and distrust will be the natural result and legislative interference with the ultimate and inevitable consequence will follow.

Change Suggested

It suggests the amending of paragraph No. 2 in the application to read:

Amend paragraph 2 in the application to read: "No private passenger automobile owned by the assured has been, nor has the assured been involved in an accident resulting in personal injury or damage to the property of another, as result of which any insurer has paid indemnity for such personal injury or damage to property of another, if such accident occurred while the car was being driven by the assured or to the best of his knowledge and belief while being driven by anyone with his permission, expressed or implied, during a period of 21 months beginning 24 months prior to the effective date of the above numbered policy, and ending three months prior thereto."

BALTIMORE STOCKS SHOW DECLINE SINCE JANUARY

BALTIMORE, April 17.—As a result of slow and steady liquidation, casualty and surety stocks have suffered sharp losses on the Baltimore market since the turn of the year. Since the first of the year United States Fidelity & Guaranty has declined from 94 3/4 to 78. This represented a shrinkage in total market value of its outstanding stock of about \$16,000,000. Shares of the company's running mate, Fidelity & Guaranty Fire, also have dropped sharply, moving down from 87 in January to a new low for the year this week, at 62.

Maryland Casualty is off about 35 points since January, and both the New Amsterdam and the Fidelity & Deposit are down considerably from recent high points.

CITY AUTO DEATHS DOWN, COUNTRY UP

FIGURES OF SAFETY COUNCIL

For January and February, Motor Fatalities for Cities Decrease—More Country Accidents

Automobile fatalities for January and February of this year, as compared with last year, decreased considerably in the cities and increased considerably in the towns and country, as indicated by the nation-wide reports received by the National Safety Council.

These reports show that the cities had 6 percent fewer automobile deaths this year than last year; 61 of the 90 cities that reported showed declines, or no changes at all, as compared with a year ago. But the state-wide reports received during the same period showed an increase of 11 percent in fatal automobile accidents. In the total, there were an estimated 4,240 motor vehicle deaths during January and February of this year, as compared with 4,220 such fatalities during the same two months of last year.

Daily Averages for Two Months

There were fewer automobile accidents for February than for January of this year. The daily average for January was 70, as compared with 69 for February. There was an average death rate of only 64 for February of last year.

That the pedestrian is the greatest sufferer in automobile accidents was again proved by the detailed analysis. About seven out of ten victims were pedestrians. More than half of these were over 55 years of age.

There was a considerably larger number of fatal accidents in homes than from automobiles on the streets in February, according to the Safety Council. Its reports indicate that home fatalities for February, while not so numerous as in January, still exceeded motor vehicle fatalities by about 15 percent, among those cities which reported both types of accidents.

Two-thirds of these home fatalities were the result of either burns or falls. For February, there was a marked decrease in deaths from asphyxiation. In January, this cause represented one-fourth of the total; but in February it represented only 11 percent.

CENTRAL STATES SAFETY CONGRESS IN KANSAS CITY

The Central States Safety Congress will be held in Kansas City, April 30-May 1. At the first session Mayor Albert I. Beach of Kansas City will welcome the delegates. President Henry A. Renner of the National Safety Council will speak on "Accidents—Everybody's Problem." Governor Clyde M. Reed of Kansas will speak on "The Licensing of Automobile Drivers." Insurance speakers on the program include R. C. Barr, Lumbermen's Mutual Casualty, Chicago, "Protecting Mill and Elevator Hazards"; C. P. Waite, Travelers, Chicago, "Accident Prevention—An Economic Issue"; I. L. Stone, Globe Indemnity, Chicago, "Getting Safety Across to the Driver."

F. & D. Agents to Meet

Agents of the Fidelity & Deposit in Indiana, northern Illinois and eastern Iowa will attend a meeting in Chicago on Friday this week at which the underwriting and selling problems of every line the company writes will be discussed. The home office will be represented by a member of each underwriting and representatives of the production and claim departments. The agents who attend will be those who clear either through the Chicago or the Indianapolis offices of the company. The meeting will be held in the Stevens hotel and will be in the form of a morning, luncheon and afternoon session.

ACCIDENT STATISTICS HAVE BEEN ANALYZED

Travelers Reviews the Chief
Causes of Claims for Last
Year

AUTOMOBILE BIG FACTOR

Need for Adequate Insurance in This
Line Is Emphasized by the
Experience

The personal accident statistics of the Travelers for last year are of interest to persons in the insurance business, and especially to accident producers because the figures prove the widespread need for the protection which accident insurance provides. Whether the accident hazard exists at home, on the street as a pedestrian or as a motorist, while enjoying a day off in some form of recreation, or at work, the statistics disclose that injury in an accident is an every-day possibility.

More people are hurt in automobile mishaps than in any other one way, according to the Travelers records. The company's data for 1928 show that the motor vehicle was responsible for 29.33 percent of the claims arising among the company's personal accident policyholders, without regard to their occupation, and for 37.94 percent of the total claim payments. No further evidence should be required to show that the automobile is today's greatest accident factor in the United States, as well as the cause of the severest injuries which people generally can suffer.

Causes of Automobile Accidents

The Travelers analysis of automobile accident claims, omitting, for the time being, the pedestrian, and his troubles, reveals collision between cars as the most frequent automobile accident occurrence. Next in frequency is the combined cause of skidding and ditching, followed by caretaking and repairing, entering or leaving, cranking, caught in doors and windows, collision of automobiles with inanimate objects, to enumerate only a few of the many factors that contribute to the country's motor fatality and injury toll. Although only a few automobile accidents, comparatively speaking, resulted from defective appliances, the amount paid in claims because of such mishaps was large.

Comprehensive Figures Given

Despite the varying estimates which have been made as to the number of persons injured in automobile accidents in the course of a year, the Travelers data still show 100 injuries for every fatality. Since the motor vehicle fatality toll last year was approximately 27,500, as tabulated by the Travelers, it can be estimated, on the basis of the company's personal accident experience, that fully 2,750,000 persons were injured last year in automobile mishaps, of one kind or another. Some ratios of injured to fatalities have placed the toll of injured at 800,000 a year, which figure can only include many of the serious injury cases reported to state and local authorities. The experience of an insurance company may well be accepted as the basis for computing a ratio between motor vehicle fatalities and injured, because every claim paid under a personal accident policy represents an injury that has required medical attention.

Pedestrian Accidents

One of the interesting trends which a study of the Travelers data reveals

MAINE CASUALTY WILL WRITE AUTO BUSINESS

NEW COMPANY AT PORTLAND

Running Mate of Union Safe Deposit
& Trust Company Chartered—
Lang Is President

PORTLAND, ME., April 17.—Interests in control of the Union Safe Deposit & Trust Company of Portland, formerly a banking, safe deposit and surety insurance corporation but now a straight surety and fidelity insurance company, has just organized a casualty running mate to be known as the Maine Casualty.

The company has been organized under the laws of Delaware and has just been authorized to do business in Maine. It has a capital stock of \$100,000 and surplus of \$100,000, all paid in.

Ivan E. Lang Is President

Ivan E. Lang of Waterville, Me., is president of the company. He is a member of the executive committee of the Maine Association of Insurance Agents and of the New England Advisory Board. Edward W. Cox, of Portland, Me., is chairman of the board and Ralph A. Bramhall of Portland, Me., secretary and treasurer. The two latter officers hold the same positions with the surety and fidelity company.

At the present time the company is confining its writings to automobile insurance only through agents in Maine, a number of the leading agencies having already become connected with the company.

is the difference between the ratio of fatalities to injured in automobile accidents, where pedestrians are excluded, and where pedestrians and motorists try to decide the question of supremacy. In the former, as already pointed out, the ratio shows 100 persons injured for every fatality, while in the latter it is seen that only 75 persons on the average succeed in getting away with their lives for every one struck and killed by a motor vehicle.

Although one out of every seven pedestrians hurt was struck by an automobile, the presence of bicycles, animal-drawn vehicles, motorcycles, trains, street cars, inanimate objects and other people—not to mention falling objects—made the pedestrian's problem still more perplexing. One out of every five pedestrians hurt was either hit by a falling object or by one of the numerous vehicles daily clamoring for their allotted space on public thoroughfares and highways.

Falls Take Precedence

In frequency of occurrence, however, falls must take precedence over all forms of accident involving pedestrians. This is indicated by figures which show that two out of every three injured on the streets fell down or over things, usually on pavements and uneven ground. Though some of the hazards that pedestrians encountered on streets and highways may be regarded as peculiar to traffic conditions, it cannot be said that falls, strictly speaking, should be so classified. When home accidents are analyzed, it is discovered that falls again assume the spotlight, causing injuries to one out of every three hurt within their homes. Outside, but around the home, falls occur still more frequently, being responsible for more than half the number of persons hurt while on the premises of their dwellings.

Sharp Instruments

One-fourth of the Travelers' personal accident policyholders hurt within their homes last year were paid claims because of cuts on sharp instruments. Another 10 percent of the number injured figured in collisions with inanimate objects and persons, while 7 percent of

IOWA DEPARTMENT WON'T APPROVE MERIT RATING

PLAN HELD DISCRIMINATORY

Deputy Commissioner Gives Reasons
for Rejecting Policies Offered Con-
taining New Provision

DES MOINES, April 17.—Reduction of 10 percent in automobile insurance rates as a reward for careful driving is not regarded as a wise or feasible plan by the Iowa insurance department.

Leon M. Penquite, deputy in the office of Commissioner Ray Yenter, said the department has been notifying insurance companies which suggested the plan that policies containing the provision will not be approved.

"This practice might be discriminatory," Mr. Penquite declared. "It is easily conceivable that a careful driver might stop at a boulevard crossing and someone not so careful might smash into the rear of his car. The careful driver might report the accident to the police and then, being confident that he was in the right, forget the matter.

Might Cause Complications

"At some later date he might apply for the automobile insurance and say with a clear conscience that he had not had an accident only to be confronted at some future time with the police record.

"If he remembered and told about the accident, the insurance might be refused by one agent but another agent might offer to accept the insurance risk anyhow and then there would be complaints of unfair competition."

Mr. Penquite also pointed out that automobile insurance must be sold at not less than a certain rate under regular business conditions. If a reduction of 10 percent is given in some cases, the difference must be made up in some way by the companies. A general increase in the level of rates would make the 10 percent reward of little significance, he said. If the rates were increased only on those drivers who had accidents, it would compel them to take out other insurance, Mr. Penquite believes.

The department is basing its disapproval of the plan on its authority in the code to approve or disapprove forms of policies and permits.

the number suffered from burns. Except in a few cases, mishaps around the house occur in much the same way as those happening within. However, the number of casualties from accidents outside was only about half as great as the number injured within the home.

Since a large percentage of the company's personal accident policyholders are adult men of the business and professional type, the figures on mishaps occurring in sports and recreation would seem to indicate that many men take their play as seriously as they do their work. More persons were hurt while taking part in some recreational activity than were injured in accidents within the home. That the average injury suffered in sports and recreation was also more serious is indicated by the fact that the average settlement was considerably more than where persons were hurt within and around their homes.

Sports and Recreation Accidents

Although not nearly as many men play baseball as golf, baseball leads all games in the number of casualties reported, which indicates that adults should choose their competitive recreational activities with some care as to selection—a factor long appreciated in the insurance business. The greatest number of injuries reported under the heading of sports and recreation were suffered in country and woods, which classification does not include fishing.

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PRESUMPTIONS ENTER INTO COURT RULINGS

C. O. Pauley Tells How Scope of
Coverage Is Broadened in
Accident Cases

BROWNLEE CASE IS CITED

Appeals Court Decision in Action In-
volving Disappearance of Man on
Mt. Hood Shows Tendency

The extent to which the courts have allowed presumptions and inferences to enter into decisions involving accident and health insurance was discussed by C. O. Pauley, secretary of the Great Northern Life, at the April meeting of the Chicago Claim Association last week. Mr. Pauley stated at the outset



C. O. PAULEY

that the courts have shown a tendency to broaden the scope of accident and health coverage beyond that contemplated by the policy contract in three directions: (1) By extending the meaning of total disability; (2) in the definition of what constitutes an accident; (3) by allowing presumptions and inferences. It was to the third point that he directed his attention particularly in this talk.

In explaining what constitutes reasonable presumption, he said that if a man is found in the street with his neck broken and his clothes covered with dirt, a court would be justified in presuming that he had been hit by an automobile. If he is found lying in the street, with no bruises or contusions apparent, and no autopsy is held, such an inference can not reasonably be drawn.

He cited the case of Brownlee vs. Mutual Benefit Health & Accident, recently decided by the United States circuit court of appeals, as furnishing the strongest instance of this tendency toward allowing presumptions and inferences. The insured in that case started to climb Mt. Hood with a companion and was caught in a snowstorm. He decided to return, leaving his companion about 11 o'clock and was never seen again. The companion went a little farther on, but also decided to turn back and reached the foot of the mountain that afternoon about 4:30. Search was made for Brownlee the next day, but without success, and a search for his body after the snow went off in the spring was also fruitless.

One of the interesting features of the case was that his policy expired at noon

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STELLWAGEN EXPLAINS MERIT RATING SYSTEM

Casualty Expert Analyzes Plan
and Explains What Benefits
Are Expected

SPEAKS BEFORE BROKERS

Says Newspapers and Public Have Re-
ceived Companies' Offer with
Great Eagerness

H. P. Stellwagen, assistant vice-president of the Indemnity of North America and the Alliance Casualty, made a concise analysis of the merit rating plan of writing private passenger automobile risks, its operation and the benefits expected of it, when he spoke before the General Brokers Association of New



H. P. STELLWAGEN

York City this week. He spoke as follows:

"One positive conclusion emerges from the many-sided discussion of the merit rating of private passenger automobile risks. That is that the motoring public has accepted the principle as fair, just and intelligent. Not in many years has the daily press been so complimentary to the casualty companies as it has been in congratulating them on the adoption of this new system of automobile underwriting. The New York 'Herald Tribune' has called it 'just to car owners' and useful in 'persuading reckless drivers to refrain from recklessness.' The Alexandria, Va., 'Gazette' terms it 'a fine step in the right direction,' and the Philadelphia 'Bulletin' refers to it as 'sound public policy.' Many other newspapers praise it as a safety measure.

Layman Is Unconvinced

"For years the careful motorist has asked, 'Why should I, who have never had an accident, pay the same insurance rate as my neighbor, who through carelessness or recklessness is involved in one accident after another?' The actuary has sought to answer that question with an exposition of the law of averages, but the layman has remained unconvinced. On the contrary, the careful, law abiding motorist in New York, for example, points to the 1928 record of his state, showing 8,868 operating licenses revoked, 18,160 licenses suspended, 2,420 persons killed, 99,302 persons injured and about 300,000 property damage accidents, and reiterates his query concerning an insurance rate differential be-

ILLINOIS LEGISLATIVE SITUATION SATISFACTORY

SOLONS MAY ADJOURN JUNE 1

Agent's Qualification Measure Expected
to Pass in Spite of Criticisms
Brought Against It

With the Illinois legislature facing the possibility of adjourning sine die by June 1, the insurance legislative situation is at present found to be in fairly satisfactory condition, according to Secretary E. M. Ackerman of the Insurance Federation of Illinois. While the agents' qualification measure in hearing April 10 was opposed by representatives of Illinois legal reserve life companies and reciprocal interests, it is expected that these objections will be overcome at the next hearing. The brokers' qualification bill has experienced no opposition, but will come before the insurance subcommittee next week.

Casualty men's interest is being centered on House Bill 431, which provides for a state workmen's compensation rating bureau, and House Bill 525, agreed amendments to the workmen's compensation act, which provides among other things that liability insurance may be carried to cover provisions of the act. Hearings on these bills were scheduled to be held April 17. On the same day hearing on House Bill 552, which limits the amount to be loaned by life companies, and House Bill 553, which concerns deposits required of Illinois companies by other states, were scheduled to be heard.

Several bills have been reported out of the house insurance committee and are now on reading. The majority of bills affecting insurance at this session have originated in the house. Two bills, Senate Bill 375 and Senate Bill 376, were introduced last week. They permit county and township mutual fire companies to reinsure. Similar bills were introduced in the house. Surety interests are supporting House Bill 554, recently introduced. It provides for the bonding of county treasurers.

tween those who contributed to this record and those like himself who did not.

Calls Merit Plan Answer

"The merit rating plan is an answer to the question. It recognizes the fact that the automobile owner who has avoided accidents and operated his car in accordance with law over a period of two years and who keeps his car in good mechanical condition is a risk better than the average and entitled to a reduction in rates.

"The plan introduces a new underwriting consideration which is at once popular and sound. For the first time an effort has been made to measure the real hazard—the man behind the wheel. Heretofore the rating of an automobile for public liability and property damage insurance has centered around the car itself, the territory in which it is garaged and used, its weight, horsepower, wheel-base and value, its use, and type of construction. But the insurance hazard is practically non-existent until the car is set in motion, and then all these rating criteria—admirable and necessary though they are—fade into insignificance compared to the ability and character of the operator.

Three Results Seen

"The use of the merit rating plan will have at least three important results. In the first place, it will encourage safe driving and thereby operate to reduce automobile accidents. This is already recognized by the public safety authorities of the country. The possibility of earning a discount in rates is a challenge which the American motorist will gladly accept. The requirement for the semi-annual inspection of brakes and steering gear will likewise have its effect on the accident rate. The car owner who

MANUFACTURERS NOW EXTENDING ITS WORK

LICENSED IN EIGHT STATES

Philadelphia Corpany, Originally Deal-
ing Direct With Assured, Now Ac-
cepts Agency Offerings

PHILADELPHIA, April 17.—The Manufacturers' Casualty, a participating stock company, which entered Illinois about a year ago, is not planning any intensive drive in that state for the time being. Later on, officials declared, they may open a branch office or appoint a general agent in Illinois.

Its practice, it was said, is to cultivate one state at a time and not to enter new territory until the previous state had been fully developed. At the present time the company is entered in Pennsylvania, Delaware, New Jersey, Maryland, Michigan, Connecticut, Illinois and Kentucky.

Policy of the Company

The company is not planning any sudden switch from doing business on a direct basis to the agency system. Le Roy Wood, secretary, pointed out that the company's business is now secured through both those methods on an equal basis and that it intended to continue along the same line. However, he said, it was only natural that as the business increased, more business should be secured from the agents.

The company writes all casualty lines with the exception of steam boiler and plate glass. For the first quarter of 1929, it showed an increase in volume of between 17 and 20 percent.

Incidentally, Mr. Wood declared that the Manufacturers Casualty has been employing a merit rating plan for automobile insurance for the past ten years. It gives a lower premium to those drivers it believes are good risks. If the experience during the year is bad, the risk goes back to manual rate and if the following year his experience is good, he once more receives the merit discount.

makes a practice of verifying the reliability of his brakes for his own safety usually drives with due regard to the safety of others. The encouragement of periodical inspections will stimulate the 'safety-consciousness' of more drivers.

"In the second place, the plan should greatly increase the number of motorists carrying insurance. Many careful operators have not carried insurance in the past because of the feeling that they should not pay the same rate as those who had accidents. The existence of a rate differential and the attractiveness of the discounted premium are already influencing many motorists to take out public liability and property damage insurance for the first time. According to the statistics kept by the Indemnity Insurance Company of North America since March 25, 30 percent of all risks qualifying under the plan have never carried liability insurance in the past. The result of this tendency on the agitation for compulsory automobile insurance is obvious.

Will Reduce Contra Selection

"In the third place the plan will operate to reduce the selection against the companies. By offering a bona fide reward for merit, the plan will attract thousands of desirable risks which hitherto were not attracted to stock insurance on an average rate basis. Risks qualifying under the merit rating plan automatically underwrite themselves, thus leaving the underwriter free to scrutinize more closely the risks which do not qualify. This process in itself should operate to improve the automobile experience as a whole.

"Indeed there is every reason to expect that the merit rating plan by at-

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NATIONAL BUREAU WILL BE REORGANIZED

Hope Expressed That Organiza-
tion Will Be on More Satis-
factory Basis

OUTSIDERS MAY RETURN

Special Committee Hard at Work En-
deavoring to Shape Up the Pro-
gram for Future

NEW YORK, April 17.—While there has been no definite announcement as to the future of the National Bureau of Casualty & Surety Underwriters, it is thought that the so-called Jesse S. Phillips committee plan or something akin to it will be adopted, the bureau will be reorganized, the outsiders will be brought in and there will be a new clean slate. Last week, owing to the confusion brought about in the automobile field, there was a general feeling that unless the National Bureau of Casualty & Surety Underwriters could be strengthened there would be more resignations and the association would disband.

Been Many Withdrawals

Companies like the Employers Liability, Fidelity & Casualty, General Accident and others withdrew a few years ago. The Travelers left this year in order to put into effect its deferred payment plan for automobile insurance after the bureau had refused to recognize it. The New Amsterdam Casualty resigned. Later the Indemnity Company of North America and the Reliance Casualty went out. Altogether the exodus has weakened the organization in that a higher expense has been saddled on the remaining companies. Therefore, the feeling existed that unless these companies could be brought back and there could be a platform built on which all could stand, the bureau would disintegrate.

Gravity of Situation Realized

There have been many conferences. Undoubtedly all officials appreciate the gravity of the situation. If the bureau decided to give up the ghost it would seem that utter chaos and demoralization would result. Undoubtedly this condition impressed itself on the minds of officials and outside companies. They evidently say, however, the feeling that existed among company officials that were members. There would be no way to stem the tide of more resignations if present conditions continued. A number of officials argued that the National Bureau of Casualty & Surety Underwriters should become purely a rating organization and divorce from it all other functions, leaving the Association of Casualty & Surety Executives to take up the general underwriting practices, legislation, public relations, rules of procedure and so on. There is an evident lack of leadership at present in the business. There is no one to whom the casualty and surety executives can turn as a Moses who will lead them out of the dreary land.

May Be Purely a Rating Body

The indications are, however, that reorganization plans will place the bureau on a permanent basis where it will be supported by companies. The outsiders are to return. If it becomes purely a rating body, it can gather statistics, mobilize experience and promulgate rates without being tangled up with underwriting practices, concerning which there is so much difference of opinion. It has been largely on underwriting procedure that the companies have fallen

apart. It is believed that the Association of Casualty & Surety Executives can well take in hand all factors arising in the business outside of purely technical rating. This is done in the surety business. The Towner Rating Bureau having no tie-up with the Surety Association of America.

Favor of Reorganization

Sentiment as voiced at the largely attended meeting of casualty company executives held here on Friday last, was preponderantly in favor of the reorganization of the National Bureau. The officials present without exception appreciate the serious consequences that would inevitably result to the general business, were the governing organization abandoned and a free-for-all scramble for premiums permitted to obtain. While much remains to be done yet before the strengthening of the existing bureau is effected, the gathering being of a preliminary nature intended to crystalize general sentiment, advocates of the proposition are greatly heartened at the outcome of the meeting.

Committee to Continue Task

The special committee of five, of which Jesse S. Phillips, president of the Great American Indemnity, is chairman, that has been hard at work on a reorganization program for months past, will continue its task and when it be completed the result will be laid before all company executives that have evidenced interest in the movement and their cooperation to make the plan operative sought. Nearly 50 companies, embracing all but one of the important offices, were in attendance at the meeting last Friday, and assured of such support the prospect for a stabilizing force in the casualty business being created is far brighter than it has been for a long time.

Articles of incorporation have been filed by the M. H. Spiegelman Insurance Company, Denver. Incorporators are M. H. Spiegelman, Hilda R. Eisenberg, E. Spiegelman. Capital is \$5,000.

CHANGES REPORTED IN U. S. F. & G. FIELD FORCE

GILLESPIE MADE MANAGER

Riddell Promoted to Special Agent—
King Goes to Cleveland As
Casualty Superintendent

BALTIMORE, April 17. — The United States Fidelity & Guaranty has made the following report of changes in its field forces:

H. C. Gillespie has been made manager of the Los Angeles branch office. He succeeds Ernest S. Robbins, who died recently. H. V. D. Johns will be associate manager. Both Mr. Gillespie and Mr. Johns were assistant managers before Mr. Robbins' death. Mr. Gillespie has been with the company many years and was assistant manager of the Syracuse branch office before going to Los Angeles. He is a native of Baltimore.

F. Forrest Riddell of Des Moines has been promoted to special agent to succeed H. B. Kelly, who resigns, as of April 22.

E. L. King, superintendent at Harrisburg, has been transferred from that office to the Cleveland branch office, where he will be superintendent of the casualty department.

G. B. Eckles, manager of the Helena, Mont., branch office, visited Baltimore with his bride last week on his honeymoon. Mr. and Mrs. Eckles are now on their way to California, via the Panama Canal before returning to their home in Helena.

Urges Exchange of Stock

NEWARK, April 17.—Stockholders of the Bankers Indemnity, in a circular letter from Charles Niebling, its president, are urged to exchange the com-

pany stock for that of the American Fire in accord with the terms offered by the latter on March 14, last. The proposition of the American was to grant nine shares of its stock for ten of the Bankers; the offer to be binding in case at least 200,000 shares of Bankers stock be deposited by June 1; and to include such additional shares of the latter corporation as were issued under the lately authorized stock increase. The par value of each company's share is \$5. Latest market quotations for the American stock were 26½ and for the Banker 23.

Maryland Casualty Examination

BALTIMORE, April 17.—The insurance department of Maryland has just completed its examination of the Maryland Casualty as of Dec 31, 1927, in which it allows the company a surplus to policyholders of \$13,222,581, including \$5,000,000 capital. The company claimed a combined capital and surplus of only \$11,811,197 in its annual report for that date. The difference is represented by a voluntary reserve set aside by the Maryland Casualty amounting to \$1,250,000. Due to the rapid and large appreciation of the company's securities during the year the management placed the special reserve aside to take care of any possible depreciation in securities or any other contingencies.

Bill Against Ambulance Chasing

LANSING, MICH., April 17.—A bill which would make "ambulance chasing" approximately as reprehensible in the eyes of the law as bootlegging was offered in the state senate last week by Senator Conlon of Grand Rapids. Acceptance of cases by a lawyer, solicited on a commission basis for him by outside agencies, or direct solicitation by him of personal injury or other cases of similar nature would place the attorney in contempt of court and subject to disbarment proceedings under the measure. The act of drumming up business for attorneys by outsiders would be made a misdemeanor, also, with stiff penalties provided.

UNITED STATES CASUALTY NAMES NEW OFFICERS

PROMOTIONS ARE ANNOUNCED

John L. Sibley and Norman T. Robertson Have Been Chosen as Assistant Secretaries

John L. Sibley and Norman T. Robertson have been elected assistant secretaries of the United States Casualty. Each of the men has been in the service of the company for some years and their promotions are made in recognition of excellent work.

Mr. Sibley joined the company as payroll auditor in 1911. Subsequently he became statistician and then was placed in charge of the statistical department. He has been a member of the Casualty Actuarial Society since 1917 and is a charter member of the Association of Casualty & Surety Accountants & Statisticians.

Mr. Robertson has been with the company since 1925. He joined as home office supervisor of the agency department.

STELLWAGEN EXPLAINS MERIT RATING SYSTEM

(CONT'D FROM PRECEDING PAGE)

tracting good drivers, by emphasizing careful operation, and by assisting the underwriter will operate to produce a lower experience level which will not only justify the rate reduction allowed on merit rated risks but also break the vicious circle of increased rates and adverse selection which has been the bane of the insurance business."

P. R. Wilbur of Hartford, resident vice-president of the Hudson Casualty, spent last week end in Indianapolis.

PENNSYLVANIA SURETY CORPORATION
JOSEPH W. WARD, President.
WABASH BUILDING, PITTSBURGH, PA.

We Want Aggressive Agents Who Demand Co-operation

It is theirs By right—Not favor

Casualty Insurance Fidelity and Surety Bonds

SKETCHES

from our Record of Success

"Washington Review"

You are an insurance man to your policy holders only so long as you can convince them that you are looking out for their interests in a business like way.

WASHINGTON FIDELITY agents are always equipped to render adequate and efficient service to their clients. They are properly trained in all the important details of their business—the close co-operation of the company is theirs—they keep in touch with policyholders and sell them insurance again and again—they know the value of keeping physically and mentally alert—in fighting trim—and they know that WASHINGTON FIDELITY has a warm, friendly interest in the results of their earnest endeavors.

OUR SLOGAN IS SERVICE

**Washington Fidelity National
Insurance Company**

**HARRY R. KENDALL, Chairman
GEORGE R. KENDALL, President**

CHICAGO, ILLINOIS

COMPULSORY BILL IS UP IN VIRGINIA BODY

JUDGE MARX FAVORED ACT

Garnett Tabb Appeared for Virginia Association of Insurance Agents as Opponent of Measure

RICHMOND, VA., April 17.—Appearing by special invitation this week before the Virginia legislative committee appointed to make a study of the question of compulsory automobile liability insurance and determine whether it was advisable for the state to require all motor car owners to carry such insurance, Judge Robert S. Marx of Cincinnati who claims to have made a deep study of the question urged that the principle of workmen's compensation be applied to all forms of motor vehicle accidents. He contended that this plan was entirely feasible and showed how, in his opinion, it could be applied.

Insurance Interests Represented

Insurance interests were represented at the meeting by Garnett Tabb, chairman of a special committee of the Virginia Association of Insurance Agents on compulsory automobile insurance, and by a committee from the Richmond local board. Addressing the commission Mr. Tabb promised to supply it with what he described as the true facts and figures bearing on the situation. He asked that he be allowed time to go over the transcript of the proceedings of the first meeting before undertaking to compile the information which he planned to give. The committee agreed to this, fixing May 1 as the date for the next session.

CENTURY INDEMNITY MAKES INCREASE IN ITS CAPITAL

HARTFORD, April 17.—Capital of the Century Indemnity, running mate of the Aetna Fire, was increased \$100,000 and \$1,000,000 was added to the company's surplus during the past week. By this action the capital of the Century is made \$1,100,000 and the new surplus is \$1,500,000. All the stock of the Century Indemnity, excepting directors' qualifying shares, is owned by the Aetna, which also owns all the shares of the Mayflower Securities Company, its investment holding subsidiary.

The method of the increase consisted of the purchase of 500 shares of the Mayflower Securities Company by the Aetna at \$2,200 a share, thus producing the \$1,100,000 new money. The capital of the Century Indemnity was then increased by the issue of 2,000 shares of new stock, par value \$50, at \$550 a share, all of which stock was taken by the Mayflower Securities Company.

California Compulsory Bill

SAN FRANCISCO, April 17.—It is understood in San Francisco that in spite of the recommendations of the committee appointed at the 1927 legislature to study the matter of compulsory liability which recommendations are for a uniform traffic code, a compulsory liability bill is to be introduced in the California senate. It is reported that the measure is sponsored by a certain group of members of the Commonwealth Club not in sympathy with the majority, which voted upon the findings and recommendations of the insurance committee.

The recent report of the club is quoted as saying: "The Massachusetts law has succeeded. It has worked too well. Even its worst enemies have no hope of its repeal. Public sentiment is overwhelmingly in favor of an adequate law."

It is declared that the proposed bill embodies "the successful features of the Massachusetts law," but adds a proviso that the first \$50 for personal injury and the first \$25 for property injury shall be paid out of the motorist's pocket. Thus, it is claimed, the argument that liability coverage makes the autoist careless is met.

ROOSEVELT APPROVES CONSOLIDATION BILL

MERGER LAW IS EFFECTIVE

New York Measure Providing for Amalgamation of Casualty Companies Has Been Signed

NEW YORK, April 17.—Having been approved by Governor Roosevelt, the amendment to the insurance law providing means for the merger of casualty companies, passed at the most recent session of the legislature as a departmental measure, is now effective. Why a provision of this character was not adopted years ago, is not clear, but it was probably due in part at least to the difficulty of determining the relative liabilities of companies considering amalgamation, and particularly those writing classes of business claims on which might be deferred for long periods.

Under the statute long in force, the sanction of the insurance superintendent must be secured to any proposed reinsurance arrangement in which 75 percent or more of a company's business is involved, before a deal can be concluded. Extreme care is required to determine whether the reserves are sufficient to carry out all concluded obligations, and in such reinsurance contracts as have been authorized the department has always maintained a close watch over the absorbed company's assets, releasing these only from time to time to the extent that liabilities are disposed of.

J. P. McGowan Honored

In recognition of the fourth anniversary of John P. McGowan's appointment as manager of the casualty department of the New York Casualty, at its home office, his office associates together with a number of prominent brokers tendered him a dinner Monday evening, submitting at the same time applications for new business, the premiums upon which aggregated over \$143,000. Prior to joining the staff of the New York Casualty Mr. McGowan was with the automobile department of the Northern of London. He has always made good and the confident prediction is that he will continue so to do.

Michigan Compulsory Bill Defeated

LANSING, MICH., April 17.—Opponents of compulsory automobile insurance breathed a sigh of relief during the past week when the lower house of the Michigan legislature delivered itself of a seemingly decisive gesture of negation when confronted with the issue.

While only one bill of an objectionable sort has appeared at this session, this measure, proffered by Richard MacRae of Detroit, did not even get so far as a straight-out vote on its merits but was sent to the judiciary committee for burial. The bill was reported out by the house insurance committee without recommendation.

H. W. Blackburn Promoted

H. W. Blackburn, branch manager of the Federal Surety at Denver, Colo., has been promoted to superintendent of the Mountain States division, his headquarters to be in Denver. He will be relieved as branch manager by C. H. Ritter.

Treadway Ohio Manager

Ralph C. Treadway, who has been connected with the office of the National Surety in Columbus, O., has been made state manager, succeeding J. P. Scannell, resigned.

Get Transportation in Chicago

Keller, Andersen & Co., A-2101 Insurance Exchange, Chicago, have been appointed general agents for the Transportation Indemnity. The appointment was made by T. J. McNally of the Chicago service office of the company. The casualty department of the agency is to be in charge of C. H. Wunderlich.

NEW MERIT RATING PLAN IS ADOPTED

(CONTINUED FROM PAGE 43)

damage has been paid by the assured or by an insurance carrier in his behalf, or a reserve established for a pending claim during a period of 24 months prior to the effective date of this policy and ending three months prior thereto.

Other Provisions Given

(3) If the named assured has owned, maintained and used or permitted to be used two or more private passenger automobiles concurrently during all or part of the period named in item (1), and one or more automobiles was involved in such an accident within the period described, then

The number of such automobiles involved in such accidents was
The number of such automobiles not involved in such accidents was

(4) The assured's operating license has not been suspended or revoked, nor has he been convicted of driving while intoxicated, evading responsibility after an accident, or reckless driving during a period of 21 months, beginning 24 months prior to the effective date of this policy and ending three months prior thereto.

(5) The assured keeps brakes and steering gear in good working condition and will have them inspected at least semi-annually and give written evidence of such inspection if called upon to do so.

Anything in the policy to the contrary notwithstanding, it is hereby understood and agreed that in the event the above information in whole or in part is not the true information for the period described, the policy to which this endorsement is attached shall not be void on account thereof and the named assured shall pay in the form of a penalty an amount equal to two times the amount of premium credit allowed hereby.

Why Endorsement Was Designed

This endorsement was designed to meet the objections raised to the merit rating plan recently in effect; viz., the severe penalizing of the assured for misstatements inadvertently made, and in failing to define an accident for which the assured was penalized.

While the Rochester, N. Y., agents went upon record as favoring merit-rating, the great bulk of the local men elsewhere who expressed an opinion upon the subject were more or less violently in opposition, one of the local boards characterizing the plan as "terrible." The local men asserted that under the required procedure they were put to a great deal of additional labor without any compensating gain, and their assureds to a lot of annoyance. It was felt that many policyholders would be involved in accidents, resulting wholly from the carelessness of others and yet under the stipulations of the application, which became warranties, they would be penalized in rate charges therefor. For these and other reasons agents argued claim settlements would become complicated and would lead to extended litigation, bringing the entire system of automobile coverage into disfavor with the public.

Plan of Merchants Fire

While the idea of credit rating in automobile insurance has been advanced in various directions for years, the first company to adopt such a plan was the Merchants Fire of this city. Its practice differs, however, from those since applied by others, in that the Merchants only permits a credit allowance after a year's coverage, during which time the assured, providing he filed no claim within the preceding 12 months (regardless of whether he met with an accident or not) is conceded a 5 percent reduction in his rate for the next year. If the same record obtain for two years, a 10 percent rate reduction is granted, with a 15 percent allowance at the end of the third year and continuously so thereafter as long as the no claim experience continued.

Accepted by Running Mate

This practice of the Merchants Fire with respect to its fire and theft cover-

age, was adopted by its associated enterprise, the Merchants Indemnity, when that corporation was formed for assuming the liability and property damage hazards on automobiles several years later. The experience of both companies, according to their management, has been wholly satisfactory, though they admit extreme care must be exercised in the selection of risks, the effort being to confine the granting of indemnity only to parties of the strictest personal integrity.

Conway Called Meeting

To clarify the merit-rating situation and to set forth the attitude of the New York department thereto, Superintendent Albert Conway called a gathering of company executives at the department offices here on Monday; sixty offices being represented. Mr. Conway made it very clear that he had interested himself in the problem, not of his own volition but at the solicitation of some of the important managers, who feared that unless uniformity of practice among the carriers be obtained chaos might result in the writing of automobile liability and property damage covers.

Agree to Accept Idea

The superintendent pointed out to the opponents of merit rating, and there were a number such, the harmful impression that would be created among assureds if the plan were to be abandoned without a fair trial; particularly since its many assumed benefits had been widely advertised throughout the country. As a result of Mr. Conway's statements and the general discussion that followed every company represented at the gathering agreed to accept the merit-rating program idea and to give it a fair tryout in all states where the laws were not in conflict, using the policy endorsement quoted above.

To Withdraw Flat Reduction

Such companies as had filed flat rate reductions of 10 percent since the merit-rating plan was put upon the market promised to withdraw these. Four other offices had filed separate schedules previously and the experience of each of these companies will be checked by the department statisticians to determine the justification of the figures. While New York brokers are not enamored of the merit-rating idea, they, too, have expressed willingness to work with the companies in giving the plan a fair test.

Great Western Convention

DES MOINES, April 17.—The agency force of the Great Western here will hold its annual outing this summer at Evergreen, Colo., Aug. 12-17. Des Moines and Iowa agents will travel in an auto caravan to the mountains, with expenses to be paid for specified production.

Security of Iowa Meeting

The Security of Davenport is holding a meeting of its field men at the home office this week. Secretary E. E. Soenke is in charge. H. C. Brummel of Brummel Brothers local agency at Chicago, vice-president, is attending the meeting.

Wife Awarded Damages

MILWAUKEE, April 17.—An award of \$3,500 damages was made to Mrs. Genevieve Canty Prasch by a jury in circuit court in the case which she brought against her husband, Cletus Prasch.

Mrs. Prasch asked \$10,000 for injuries sustained when she was riding in an automobile driven by her husband, but who was then her fiancé, crashed into a taxicab. Prasch carried liability insurance and the suit brought by Mrs. Prasch named the American Automobile as co-defendant. Judge Braun released the insurance company as co-defendant when it was shown that under the policy the company agreed to compensate Mr. Prasch in case a judgment was found against him as a result of an accident.

Bank Held Not Liable

Responsibility of a bank for money transferred by a city trustee from the trust account to his private account in the same bank was the subject of the

case of the Maryland Casualty vs. City National Bank of Knoxville, Tenn., which the United States Supreme Court has refused to review, thus affirming a judgment against the Maryland Casualty. The Maryland made good a shortage of \$83,000 and then brought suit against the bank on the ground that it should have known that money transferred from the trust account by the trustee's check to his private account was misappropriated. The trial court rendered judgment in favor of the Maryland to the extent that the proof showed the transfer of the public funds to the bank on the trustee's individual indebtedness. The circuit court of appeals cut this down to the amount which could actually be traced from the trust account into the hands of the bank. It was from this judgment that the Maryland appealed.

To Take Federal Appeal

LINCOLN, NEB., April 18.—The action of the Nebraska supreme court in overruling a request for a rehearing in Sloan vs. Harrington, which involves the question of whether a defendant may be asked on cross examination, when sued for damages, if he carries insurance, paves the way for an appeal to the United States Supreme Court. In making the motion the attorneys for Harrington, who are also attorneys for the Southern Surety, laid the foundation for such an appeal by asserting that as the company is not a defendant the rule deprives it of property without due process of law and that as the question of negligence is decided entirely upon the question of whether the defendant is rich or poor the equal protection clause of the constitution is violated.

Outside Field Not Affected

NEW YORK, April 17.—The statement appearing in the April 11 issue to the effect that the Preferred Accident had reduced its rates for automobile and liability insurance coverage, a flat 10 percent, should have been qualified to the extent that the revised figures are confined to the territory adjacent to this city. Elsewhere throughout the country strict manual rates apply.

Opens Seattle Branch Office

SEATTLE, April 17.—A branch office of the National Surety has been opened in Seattle under the supervision of Robert Whyte, who has been with the company for the past 15 years, being promoted from the Portland, Ore., office.

Richmond Complaint Dismissed

RICHMOND, VA., April 17.—Complaint against R. Lee Page of Norfolk, charged with failing to settle for certain premiums which the National Surety claimed were due it, has been dismissed by the Virginia corporation commission. In preferring the charges, the company asked that his license as an insurance agent be either revoked or suspended. He formerly represented the company in Norfolk.

May Open Detroit Branch

DETROIT, April 17.—Reports are current in insurance circles here this week that the Aetna Life group is to open a new branch office in Detroit, which will give the company two in the state. The other is at Grand Rapids.

The T. J. Bosquett agency, which has had the general agency for the Aetna companies, it is said will continue as T. J. Bosquett & Co., under non-exclusive contract. At the Bosquett office it was said that plans are not complete enough for a definite announcement yet, but that arrangements would be ready before Aug. 1.

Need Not Prove Insolvency

Held that it is not necessary to prove the insolvency of the assured under an automobile liability insurance policy in order to maintain an action against the insurance carrier.—Zurich General Accident vs. Langley. Ct. of Appeals, Calif., 3rd Dist.

New Jersey Enters Montana

Entry into Montana has been arranged by Victor E. Hoagland, vice-president of the New Jersey Fidelity & Plate Glass, who has recently made an inspection of the agencies on the Pacific Coast.

CANADIAN DISABILITY EXPERIENCE GRATIFYING

COMPENSATION CLAIMS LOWER

Decline In Demand for Non-Cancellable Forms Continues—Combined Cover Shows Increase

OTTAWA, April 17.—Canadian experience in accident and health insurance was satisfactory in 1928 and the companies as a whole made some money.

Personal accident premiums were \$3,240,905, and claims were \$1,362,599, or a 42 percent loss ratio, compared with premiums of \$3,040,566, and claims \$1,253,700, or 41 percent for 1927.

Employers' liability, and workmen's compensation claims were lower last year than in 1927. Workmen's compensation has for many years been a thorn in the side of the casualty business, and the loss, though lower than 1927, continues. The premiums, for 1928, amounted to \$4,626,602, and claims incurred were \$3,397,740, or 73 percent of premiums, compared with premiums of \$3,663,335, and claims \$3,351,346, or 81 percent for 1927.

The experience on all other accident insurance was satisfactory. The premiums amounted to \$1,283,932, and losses were \$456,393, or 35 percent of premiums, compared with premiums of \$1,139,502, and losses \$420,872, or 37 percent of premiums for 1927.

Combined Risk Experience

The combined accident and health insurance business increased in 1928. The premiums last year amounted to \$1,874,584, and claims incurred were \$1,111,324, or 59 percent, compared with premiums of \$1,765,914, and claims of \$967,115, or 54 percent in 1927.

In health insurance the volume of business increased slightly in 1928. The premiums amounted to \$1,817,095, and claims incurred were \$1,097,877, or 60 percent of premiums, compared with premiums of \$1,687,908, and claims \$946,862, or 56 percent of premiums in 1927.

A decline in the demand for non-cancellable forms seems to have continued throughout 1928, and at the present time the field of competition has practically eliminated this form. There are still two or three companies that continue to stress the desirability of this form of protection, but accident and health agents seem to have lost interest in the sale of this form of contract.

Opens Pittsburgh Service Office

The Great American Indemnity of New York will establish a service office at Pittsburgh May 1, selecting as its manager Ross L. Millman.

De Mille Gets Universal Casualty

The Charles B. De Mille general agency, Seattle, has been named general agent for the Universal Casualty, now applying for entrance to Washington and Oregon.

Casualty Notes

The Aero Indemnity of New York has been licensed in Illinois.

The Equitable Casualty & Surety has made application to enter California.

James Kelly, casualty manager of the Detroit branch of the Metropolitan Casualty, has returned to his desk after a severe illness.

The Manufacturers Casualty has announced the appointment of Emil Kessler as general agent for Erie, Pa., and vicinity, with offices in the Commerce building in that city.

Charles L. Burnes has been transferred from the home office of the Hartford Accident to Michigan to act as special agent in that territory and specialize in casualty lines.

The Franklin Surety has appointed Joseph A. Jockel, who was formerly with the Ocean Accident and thereafter with the Royal Indemnity and Eagle Indemnity to be connected with the surety department. He has been in the field for the National Surety in recent years.

INSTALLMENT PLANS MERIT RATING RAPPED

(CONTINUED FROM PAGE 43)

Under such arrangements Keene, Portsmouth and Dover will be favored with a slight reduction in premium rates. Territories under the redistricting of the foregoing cities will come under the rates now in force in the remainder of the state.

"The expressed views of the members present relative to a merit rating plan and installment payment plan of rates whereby a carrying charge is made a part of the premium rate was severely criticized and was deemed to be without value. The representative of the Travelers dissented in his vote, with the majority who opposed the foregoing plan.

"The commissioner conferred immediately with the representatives of the National Bureau of Casualty & Surety Underwriters and Eastern Automobile Conference, and arrangements were agreed on whereby the National Bureau is to promulgate rates, rules and regulations for the state.

Text of Letter Given

"The following letter was this day released to all authorized insurance

companies transacting automobile casualty business in this state:

"Your attention is brought to house bill 301, which became effective on its passage March 31, 1929, in New Hampshire.

"In substance its provisions are: Every insurance company authorized herein which insures against loss by reason of liability to pay damages to others for damage to property and/or bodily injury arising from the operation of motor vehicles shall write such policy contracts only at a premium rate approved by the insurance commissioner.

Manual Rates Approved

"Under the foregoing law I have approved manual rates, rules and regulations promulgated by the National Bureau of Casualty & Surety Underwriters. Pursuant thereto your company is hereby given notice of the department's decision and its strict compliance with such rates, rules and regulations shall be anticipated.

"The varied merit rating plans as devised have been afforded my consideration. Such seem to be in conflict with the fundamental principles of insurance and may well be regarded as a form of discrimination. Therefore all merit rating plans relating to automobile coverages as defined in our motor vehicle

insurance law have this day been disapproved for use in the state.

Action Seems Consistent

"With the desire to establish uniformity in our state among all authorized companies and agents, it seems consistent to take any action which may be necessary to establish such basis. The payment of premium rates on an installment basis on such classifications of risks is without any real advantage to the insuring public. Pursuant thereto the varied proposed installment premium payment plans have this day been disapproved for use herein.

"The foregoing order respective to the various plans, becomes effective April 15, 1929, and is binding upon all authorized insurance companies operating in New Hampshire."

Whitchurch Is Vice-President

LOS ANGELES, April 17.—W. J. Whitchurch, manager for the past ten years of the claims department of the Los Angeles office of California Agencies, Los Angeles and San Francisco general agents for the Continental Casualty and Continental Assurance, has been elected a vice-president of the corporation. He will continue in charge of the claims division of the Los Angeles office and also supervise various underwriting details.

PERMISSION WAS NOT ASKED FOR ALTERATIONS

SOUTHLAND'S APPEAL DENIED

United States Supreme Court Rules Against Plaintiff in Case Involving Liability Policy

WASHINGTON, April 17.—The United States Supreme Court denied the appeal of the Southland Life from a decision of the circuit court of appeals for the fifth circuit in its suit against the United States Fidelity & Guaranty for recovery of \$10,000 under a policy covering loss arising or resulting from claims made upon the assured for damages on account of bodily injuries, including death, by persons not employed by the assured while within or upon the assured's premises.

During the course of alterations within the building a window weight dropped from the fifth floor, killing a passerby. Following negotiations with the family of the deceased the life company settled the claim for \$40,000, and sought recovery of \$10,000 from the surety company under its policy. The surety contended that the alterations under way were not such repairs and ordinary alterations as are necessary to the care of its premises, but were alterations of a structural character, for which no written permit was asked, for which the surety company did not grant a written permit, and for which the assured did not offer to pay an additional premium, as required in the policy. That contention was upheld by the lower court.

WEBB SECURED A LARGE AIRPLANE POLICY

John W. Webb, a prominent Chicago broker, affiliated with the office of Conkling, Price & Webb, wrote a large aviation policy for the Gambill Motor Company of Chicago in the Independence Indemnity and Independence Fire. The total liability of all kinds is \$1,000,000. It provides for individual accident and liability coverage for \$10,000 for each of the 150 purchasers of the Hupmobile straight eights who flew from Chicago to Detroit to obtain delivery of their new cars. The policy covered the duration of the flight between the two cities. Coverage ended when the 30 airplanes landed at the Ford airport in Detroit.

Stolen Diamonds Recovered

Quick and competent work by the San Francisco office of Toplis & Harding, adjusters with head offices in Chicago, resulted in the recovery in Topeka, Kan., of all of \$400,000 worth of diamonds stolen from a jewelry salesman in San Francisco recently. The bandits tried to go east from the coast by motor, but were snowbound in the Rockies and were forced to take a train. Union Pacific passenger agents, the sheriff of Shawnee county, Kan., and the Topeka police cooperated in the recovery. The diamonds were insured under a jeweler's block policy.

Defeat Ambulance Chasing Measure

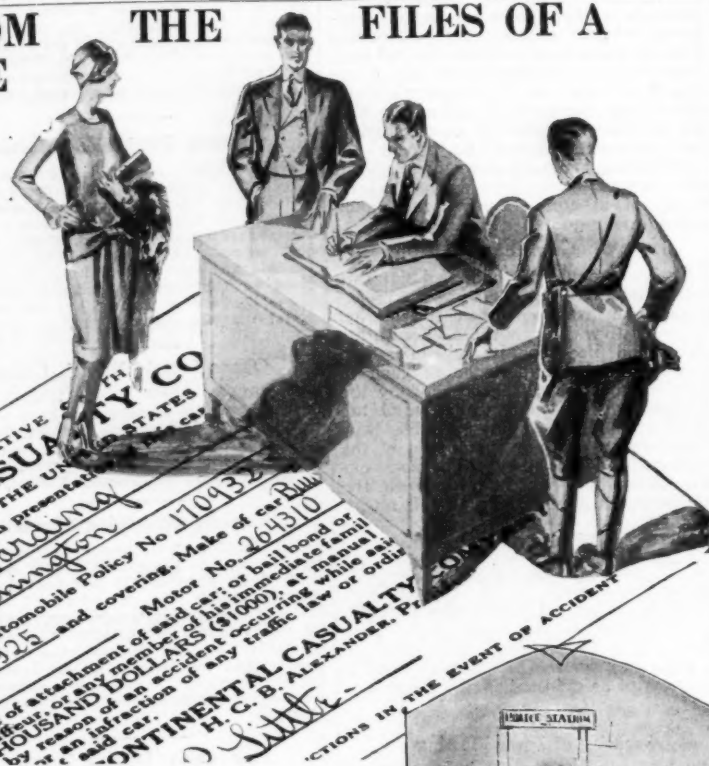
MADISON, WIS., April 17.—At least six bills now before the Wisconsin legislature would allow insurance companies to be named codefendants in court actions. The bills constitute a very serious menace to casualty underwriters and the Insurance Federation of Wisconsin is working hard to bring these bills to defeat.

Another important development in the legislature last week was the defeat of Bill 214 S, one of the so-called "ambulance chasing measures" relating to judicial review of claim settlements and providing that any personal injury claim not approved by a court may be later subject to judicial review.

LITTLE STORIES FROM GREAT INSURANCE INSTITUTION

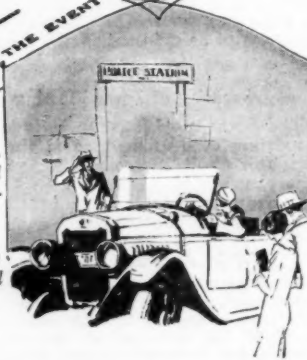


Under arrest in a strange city thousands of miles from home.



The card that puts nationwide service at the disposal of the Continental policyholder.

Released within a short time through Continental service!



A Seattle policyholder, motoring across country, injured a pedestrian at Evanston, Ill. Arrested and held in bonds of \$1000, she faced the prospect of spending the night in a cell—until Continental service came to her rescue.

Telephoning the Home Offices in Chicago, nine miles away, she explained her predicament. It was then after 5 P. M., well after our closing hour. However, an official, of our Surety Department, journeyed immediately to Evanston where he signed the bonds necessary to procure her release.

This incident is not unusual, but is selected from similar examples as typical of the intelligent and cooperative service rendered by Continental in the course of each day's business. Had this assured suffered a similar mishap in any part of the United States she could have secured the same service from the nearest Continental representative, through her Policyholder's Identification Card. Care for the interests of assureds and fieldmen is a

primary principle in the operation of the Continental Companies. Every official and employee is in constant readiness to give unselfishly and unlimitedly of time and effort in promoting the welfare of policyholders and field representatives. Full, unstinting cooperation is the rule rather than the exception in transacting business the Continental way.

CONTINENTAL CASUALTY COMPANY
CONTINENTAL ASSURANCE COMPANY
Chicago Illinois

WORKMEN'S COMPENSATION

RATE SITUATION REVIEWED

Conditions in Various States Are Presented—Work Is Now Being Done by the Council

NEW YORK, April 17.—At the hearing at Jefferson City, scheduled for both today and tomorrow, at which consideration will be given to workmen's compensation rates for Missouri, the National Council on Compensation Insurance will be represented by its secretary, H. F. Richardson, while C. W. Hobbs will appear for the National Convention of Insurance Commissioners.

In the light of the Kansas authorities' failure to approve the recently suggested rates for that state, further experience figures are being prepared by the National Council and these it is hoped will be ready within the next few months, when new proposals will be made.

The Wisconsin classification experience has been prepared and will be furnished the carriers at an early date. It is contemplated that revised figures, including the loading for off-balance of the experience rating plan, will become effective July 1, next.

Situation in Other States

The situation with respect to other states at this time is as follows: In Alabama, Georgia, Maine and New Hampshire, revised rates, including the loading for off-balance in rating plans, are before the respective insurance departments. Once they be approved the council staff will determine the effective dates for their application, giving the carriers at least 45 days advance notice. The experience in Arizona incurred under the compensation law which went into operation in 1926, will be prepared

once data is received from the industrial commission. It is anticipated the revised figures will take effect July 1.

Experience Soon to Be Submitted

In Colorado, Connecticut, Illinois, Indiana, Iowa, Louisiana, Michigan, Nebraska, Rhode Island, South Dakota and Tennessee the experience classification for each will be submitted by carriers shortly. The regional committee will be asked to review the pure premium selections of the council staff at a meeting to be held the latter part of the month, the thought being that the new rates will be applicable about July 1.

For Maryland the new figures will be submitted to the insurance commissioner for review shortly. In Montana the revised rates, effective March 21, represent a flat increase of 14 percent to offset the advanced cost resulting from the amendments to the state law.

In New Mexico the regional committee has been asked to approve a flat increase of 37.6 percent in the state rates, as an offset to the changes in the law operative from and after June 8, 1929.

North Carolina Situation

In North Carolina the new rates prepared by the council are based upon experience that may be expected under the recently enacted compensation law of the state. In Texas the casualty commissioner still has under advisement the rate revision submitted to him some time ago. In Utah the classification experience is now being prepared with a view to a possible rate revision. In Vermont approval has been given by the insurance commissioner to the new rates which apply from and after June 1 next. These include a loading for the off-balance in rating plans, as well as the 8.6 percent increase due to the recent extension of the compensation law.

In Virginia no decision as to the rates submitted to the state corporation commission has yet been rendered by that body.

NO REMEDY UNDER STATE ACT

United States Supreme Court Hands Down Decision in Case of Seaman Who Drowned

The United States Supreme Court in the case of London Guarantee & Accident vs. Industrial Accident Commission of California decides that a remedy does not exist under a state workmen's compensation law for the death by drowning of a seaman, while engaged in navigable waters, in attempting to draw into a safe place and to moor the vessel with relation to which he was employed, since so to hold would materially prejudice the uniformity of the general maritime law, remedies under which are in the exclusive jurisdiction of federal courts. Any action for the death, it was stated, was for the exclusive cognizance of a court of admiralty under section 256 of the judicial code. The fact that the seaman was not on the vessel in the navigation of which he had been employed was immaterial, the court held, since the jurisdiction of an admiralty court over a maritime tort does not depend upon the wrong having been committed on board a vessel, but rather upon its having been committed upon the high seas or other navigable waters.

Another Gas Works Case

FRANKFORT, KY., April 17.—Another gas works case from the city of Henderson under the compensation law has been decided by the court of appeals. Last week the court held against the Royal Indemnity, which insured the gas works, in the case of a city driver delivering coal at the gas works, although ordinarily employed in another department. This week the Aetna Life won on a similar question of classification.

The Aetna had the city compensation line on drivers and chauffeurs engaged in the street cleaning and street making departments, but not the drivers under other classifications. A driver under another classification died from injuries received while unloading coal at the gas works and an award of \$4,000 was made against the Aetna. This has been reversed by the court of appeals. The claim apparently now lies against the city of Henderson.

Reverses Commission's Ruling

BALTIMORE, April 17.—In an opinion handed down by Judge Ulman, the death of Patrick De Young, over a year ago, while rowing a boat in working for a construction company engaged in waterfront work, was held to be only incidentally connected with navigation and the judge reversed a ruling of the state industrial accident commission refusing compensation for the death of the man. Compensation was refused by the commission on the ground that the man was engaged in work outside the scope of the Maryland compensation law.

Missouri Appointments Confirmed

The Missouri state senate has confirmed the appointment of Jay J. James of Kansas City as a member of the workmen's compensation commission to fill the vacancy caused by the resignation of Chairman Alroy S. Phillips several weeks ago. The senate also confirmed the reappointment of Orin H. Shaw of Jefferson City as a member of the commission.

Evert Richardson of Lawrence county was elected chairman of the commission to succeed Mr. Phillips.

Michigan House Passes Bill

A bill affecting compensation carriers, introduced by Frank Wade of Flint, president of the Michigan Federation of Labor, was passed without opposition by the lower house during the past week. The measure, as slightly amended, provides that every compensation carrier operating in the state shall post a bond, running to the commissioner of insurance, for not less than the reserve for outstanding losses on com-

THE EXCESS INSURANCE COMPANY OF AMERICA

JAMES GIBBS, President

Casualty and Surety REINSURANCE Excess and Share

Executive Offices

84 William Street, New York City

Telephone: Beekman 0890

pensation business as of Jan. 1, 1930, nor for more than double this reserve.

Large Compensation Loss

LANSING, MICH., April 17.—Perhaps the heaviest single compensation loss ever recorded in this vicinity was incurred here late last week when a cofferdam collapsed during the construction of footings for a viaduct over the Grand river, five workmen being pinned under

a mass of debris at the bottom of the river while two others were hurled clear but sustained injuries. The Folwell Engineering Company of Chicago was the contractor on the job and it is understood that the compensation line was carried with the General Accident through the Dyer-Jenison-Barry Agency in Lansing. As a fatality under the present Michigan compensation now involves a loss of some \$6,000, it is anticipated that the total loss will be well over \$30,000.

handling. After a man has been robbed, he and his relatives and probably friends are easy to sell, but the man who has never been a victim of burglars is hard to convince.

Goes with Consolidated

William F. Kennedy has been appointed superintendent of the burglary department in the metropolitan office of the Consolidated Indemnity of New York. He has previously been connected with the Ocean Accident & Guarantee for nearly ten years.

Large Rocky Mountain Policy

The award of a \$6,000,000 burglary and robbery policy on the securities of

the state of New Mexico was made by State Treasurer Emerson Watts to the National Surety. A \$1,000,000 dollar fidelity bond on State Treasurer Watts was also written by the National Surety through its Denver office, in charge of Vice-President Ralph Smith and managed by Howard Toncray.

Many Robberies in Twin Cities

ST. PAUL, April 17.—High burglary insurance rates in the Twin Cities are being cited by newspapers in a campaign to curb pistol crimes. Holdups and burglaries in both cities during the past few months have been so numerous that newspapers in both cities are demanding action by the police to check them.

WITH BURGLARY UNDERWRITERS

LOWER COURT IS REVERSED

Question Arises As To the Watchman Warranty Clause, Company Claiming It Was Violated

Action by defendant in error to recover upon a policy of burglary insurance. No formal application was made by insured but answers to certain questions in the schedule were supplied by the soliciting agent upon his then mistaken understanding of the facts. Held that while the provisions of the policy differ here from those in the case of *H. & S. Pogue Co. vs. Fidelity & Casualty*, 299 Fed. 243 (C. C. A. 6), this case must be governed by the same general underlying doctrine as was there applied. The insured being charged with knowledge of the contents of the policy by which a definite obligation is assumed, no recovery may be had in the absence of substantial performance by the insured of such obligation. Nor can the court say, as matter of law, that one watchman signalling to an outside agency is substantial performance of an agreement at all times to employ two watchmen recording hourly rounds on a watchman's clock. In so holding, in substance, the court below erred. If the employment

of one watchman signalling to an outside agency was, in the insurance business, the full equivalent in protection to two watchmen recording rounds upon a watchman's clock, and by mutual mistake the wrong provision was inserted in the policy, the insured must seek relief by reformation of the contract on the equity side of the court. Judgment against insurer reversed. *Norwich Union Indemnity Co., vs. Koberger & Sons Co. U. S. C. C. A. 6th Cir. (Ohio).*

Oklahoma Situation Satisfactory

OKLAHOMA CITY, April 17.—Despite several recent robberies that resulted in big loss the burglary situation in Oklahoma City is very satisfactory from the insurance standpoint, according to John Adams of the Travelers. From the frequency standpoint the change from last year is nominal and the average loss cost is running about the same as last year, he stated. While resistance is about the same as usual, more burglary insurance could be obtained here if the agents would be more aggressive in pushing it, he added. The average agent feels certain of fire and automobile insurance and satisfies himself by securing a large portion of this class through contact. With burglary insurance it is different. He explained that burglary insurance is more like life insurance and requires more technical

ACCIDENT AND HEALTH

TOTAL DISABILITY DECISION

Question Arose as to Payment for Second Period After Former Had Been Established

Appellee was engaged in the general practice of medicine and surgery. While the policy was in force the second annual premium on the policy having been paid, appellee was injured by falling on the sidewalk leading from the street to his home. He was carrying a glass jar, which was broken in the fall, and in some manner his right hand and wrist were cut and lacerated, and the median nerve was severed resulting in serious impairment of the hand. Appellant paid indemnity for total disability under the policy at the rate of \$250.00 per week for a period of one year after the injury amounting to \$13,000. Thereafter it denied further liability. Appellee brought suit for recovery of accrued indemnity for continuous total disability. Judgment was recovered upon continuous total disability for the period from Dec. 6, 1923 to Oct. 22, 1925. Appellant paid this

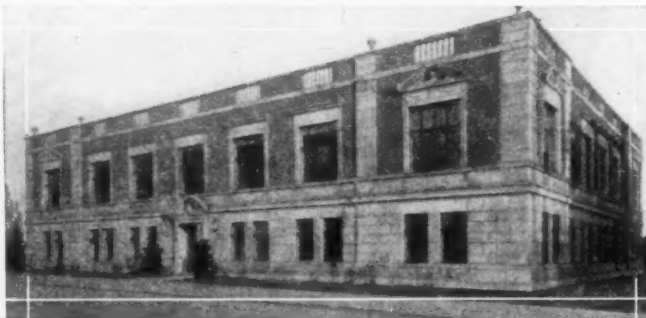
judgment. The present action was brought in October 1926 to recover indemnity for alleged total disability accruing under the same policy involved in the first suit. Indemnity was sought from Oct. 22, 1925 to Feb. 23, 1928. Held that the claimed estoppel by judgment is not sufficient to establish total disability for the period of time covered by this action. The ultimate fact in the previous suit as to disability was total disability during the period for which indemnity was sought. The ultimate fact here is total disability for an entirely separate and definite period of time. The questions here involved seem to be peculiarly fact questions for a jury. *United States Fidelity & Guaranty vs. McCarthy, U. S. C. C. A. 8th Cir. (Iowa).*

COMPANY CAN NOT CLAIM FORFEITURE OF POLICY

Plaintiff predicates its action for cancellation of the policy on alleged false statements contained in assured's application therefor when he said that he never had any sickness or ailment in-

Assets

\$3,212,145.56



HOME OFFICE BUILDING :: HAMILTON, OHIO

Surplus to Policyholders

\$750,293.70

THE OHIO CASUALTY INSURANCE COMPANY

HAMILTON, OHIO

FULL COVER AUTOMOBILE — ACCIDENT — LIABILITY — PLATE-
GLASS—BURGLARY—FIDELITY AND SURETY BONDS

April 18, 1930

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volving his lungs, although as a matter of fact, at that time and prior thereto, those organs were affected by tuberculosis. Further, he failed to disclose that he was and had been a sufferer from chronic dysentery. Held that the application which plaintiff was required to sign does not specifically require information concerning the disease known, generically, as dysentery. Defendant had no reason to believe when he made application for the policy herein, that he had not fully recovered from an attack of dysentery which he suffered while serving in the army. If he recalled that illness at all, in the absence of a direct question bearing thereon, it is probable that he did not consider it of sufficient importance to mention in the application. His action in so doing, however, cannot be considered as fraudulent. Since plaintiff company had ample opportunity to ascertain the true condition of defendant's health but failed to do so, under the provisions of Act 97 of 1908, it cannot claim forfeiture of the policy on the ground that defendant's answers to the questions set forth in his application were untrue. Massachusetts Protective vs. Ferguson, et al., Sup. Ct. La.

James L. Rainey Resigns

James L. Rainey, agency supervisor of the Missouri State Life for the last five years, has resigned. He is a very forceful and tireless worker. He has been specializing on accident and health production. He is thus an all-round man in agency work having to deal with life, accident and health insurance. He has not made any plans for the future.

Loyal Protective Changes

F. R. Parks has been elected president of the Loyal Protective of Boston. M. F. Heath is vice-president, E. P. Goodnow, secretary, and John Hoar, treasurer. Mr. Parks has been secretary, Mr. Goodnow was treasurer. It writes accident and health insurance.

To Curb Burial Associations

House bill 447, introduced in the Illinois legislature by Representative Gaines, if passed would bring burial associations under the jurisdiction of the insurance department and compel them to issue contracts that will provide for payment of cash for specified amounts instead of simply providing for a funeral. The endeavor of the bill is to make these organizations more responsible. They are not under the jurisdiction of any state body and are running at large. Many of them are financially irresponsible and prey on the credulity of the people. There are certain features in the bill to which some are objecting as it is claimed that unless amended the purpose of the bill will practically be defeated.

Donald F. Campbell, Chicago actuary, is drawing up some amendments to the bill which will require the burial associations to make annual reports to the state department and be subject to examination, similar to insurance companies.

New Company at Evansville

The Ohio Valley Mutual Accident, with home office in Evansville, Ind., has just been organized.

It will write general accident business, emphasizing travel accident policies. Charles Bohannon, Evansville and Des Moines insurance man, is executive vice-president and chief organizer.

Other incorporators are James R. Duncan, president; Melvin H. Lockyear, secretary-treasurer, and Arthur C. Stone, legal advisor.

The company plans to cover Indiana first, branching out later to other states.

Issues Three New Policies

The Fidelity Health & Accident has issued new policies, the "gold bond disability policy," "gold bond accident policy" and "new fidelity accident policy." The latter replaces the "fidelity accident policy," which is withdrawn from the market. Only minor changes are made in the latter policy. The "gold bond disability policy" is issued to men only. For ages 50 to 60 an increase of 10 percent of the premium for each year after

49 is added. The "gold bond accident policy" is issued to both men and women between the ages of 16 and 60. For ages 61 to 65, 20 percent is added. For all of these policies, physicians, surgeons and dentists are classified in "C" instead of the manual classification. The limit for which accident indemnity will be paid has been reduced to 10 years instead of life as formerly.

Modify Beneficial Society Bill

HARRISBURG, PA., April 17.—Senate Bill 1037, which threatened the future of beneficial societies, has been passed in amended form, with the organizations required to maintain a 50 percent reserve on disability only and exempting the accident and sickness portion.

Good Faith Is Enough

BISMARCK, N. D., April 17.—Good faith in answering the questions in an application for insurance is enough, the North Dakota supreme court held in the case of Dr. Frederick Brown vs. Interstate Business Men's Accident, appealed by the latter from the Foster county district court.

Dr. Brown obtained a health and accident policy and a year later suffered an operation. He filed a claim, which the company refused to pay and Brown won his suit in the lower court.

In favoring Dr. Brown's contentions the supreme court held that where an applicant for health insurance, who makes a negative answer to a query contained in the application, honestly believes he does not have a certain disease and has no intent to deceive he is not guilty of misrepresentation.

Reports Notable Gains

The Fidelity Health & Accident reports notable increases for each month of this year. The gains over the corresponding month last year were 48 percent in January, 37 percent in February and 41 percent in March. The first twelve days of April showed a gain of 209 percent over the same period in March and 289 percent over the same period in April, 1928.

Providers Accident Licensed

The Providers Accident of Chicago has been licensed by the Illinois department to write accident and health insurance on the assessment plan.

Made Field Superintendents

Charles B. Lee of Chicago No. 3 has been promoted to field superintendent in Chicago No. 1 by the Washington Fidelity National. C. H. Kendall of Dallas, Tex., has been made a field superintendent in that district.

Seattle Managers' Meeting

SEATTLE, WASH., April 17.—Several talks featured the regular monthly meeting of the Accident & Health Managers Club. The James L. Rainey sales talk was presented by Harry Montgomery of the Missouri State Life. H. H. Sanderson, head of the Sanderson Safety Supply Company, gave figures on accidents. Dwight Mead presided.

Woodward on Coast Trip

H. A. Woodward, manager of the health and accident department of the

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General Accident



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Old Line Life of Milwaukee, is on the Pacific Coast visiting agencies of the company.

State Farm Life Licensed

The Illinois Insurance department has licensed the State Farm Life of Bloomington, Ill., a legal reserve life, health and accident company, with capital stock of \$200,000. G. J. Mecherle is president and George E. Beedle is secretary.

Companies Are Combined

The Pyramid Mutual Life of Chicago has taken over the Pyramid Insurance Company, which has been writing accident and health insurance. The Pyramid Mutual Life now writes life, health and accident.

Nebraska Ruling on Infection

In view of the prominence recently given to cases involving infection, a decision of the Nebraska supreme court against the Elkhorn Life & Accident on a life policy double indemnity case will be of interest to accident companies. The company claimed that the intention of the clause was that it was to pay the face of the policy if infection followed an accident and to pay double for accidental death unless caused by an infection. The court holds that where the evidence establishes that an infection was introduced at the time of the accident, the double indemnity clause applies.

Increases Health Rates

The Provident Life & Accident has increased its health rates for all risks over 49 years old.

On all forms of commercial policies, except the "Definite," "New Peerless," old "Peerless" and "Royal," the health premium will be increased to agree with the present health rate charged under the "Definite Disability" (DD) policy for attained ages over 49 years.

On the "Royal," old "Peerless" and "New Peerless" forms of disability policies, the new premium will be that charged at present for the "New Peerless" disability policy (NPD) for attained ages over 49 years.

R. R. Murphy Promoted

R. R. Murphy has been appointed assistant manager of the railroad department of the Provident Life & Accident. He has been with the company for five years, all that time in the railroad department.

Plans Dedication Convention

The American Bankers will dedicate its new building now being erected at Cass and Ohio streets, Chicago, with a three-day convention next fall.

Defeat Bill to Insure Minors

The Pennsylvania house twice defeated a bill that would have permitted minors of 15 years or over to contract for life, health and accident insurance. Representative Rice of Harrisburg was sponsor of the measure.

The bill was defeated when it came up on final passage. The sponsor attempted to have the vote reconsidered later and that effort was defeated. It can not be revived again this session.

AMONG SURETY MEN

POSTPONE MILWAUKEE MEET

Surety Underwriters Discuss Fond du Lac Situation—Nominating Committee to Report

MILWAUKEE, April 17.—The annual meeting of the Surety Underwriters Association of Milwaukee, usually held the second Tuesday in April, will be held at some later date. The nominating committee, which includes William M. Wolff, Fidelity & Deposit; D. C. Marks, American Surety, and T. Z. Clayton, Standard, will report at the meeting April 19, and make a definite announcement of the date for the annual meeting.

A discussion with reference to rates for business on city officials of Fond du Lac was taken up at last week's meeting and the schedule on individual officials

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THE OFTENER the payments are made, the higher the cost, but this added charge is earned and the customer recognizes that fact. He realizes that to make weekly or monthly collections costs money—but his purse is limited so he buys on that basis. And the agent must have this higher charge to properly compensate him for the time and effort involved in collecting and in added office work.

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is to be referred to the Towner Rating Bureau for rating. The manual does not give a rate for the bond on the chief of police, and this point will also be settled by the Towner bureau.

Fond du Lac Causes Trouble

The Fond du Lac business on public officials has been one of the big problems which has confronted surety companies and their representatives in past years, and the action of the association in getting rating on this business to avoid cut-rate methods is expected to clear up the entire situation. Last year a difficult situation arose when the agency offering the lowest bid for the business at a price lower than manual rates found that its company could not take the business at that price, and the city insisted on getting its surety coverage at the low price quoted.

Manning Joins Consolidated

John A. Manning has resigned as superintendent of the bonding department of the Constitution Indemnity of Philadelphia, to join the staff of the Consolidated Indemnity of New York City. His experience in the surety business covers a wide range and over an extended period, his previous company associations having been in turn with the American Surety, Fidelity & Casualty, and American Employers.

Contract Invalid, Also Bond

AUSTIN, TEX., April 17.—The Texas supreme court has held that the American Surety is not liable on its bond of \$25,000 given to Hill county on a contract of Bryant & Huffman, road engineers. The law required that the work should be under the supervision of a salaried supervisor, while the contract with the engineers was on a commission basis and was therefore illegal, and the bond invalid.

No Indemnity On Illegal Business

The Texas supreme court has reversed the lower court in the case of Massachusetts Bonding vs. M. Gottlieb et al. The Massachusetts Bonding issued a fidelity bond on a salesman who was employed in selling punch boards and

the prizes that go with them. The court held that the principal was knowingly engaged in the sale of devices for conducting a lottery, and that he could not secure himself against loss in such an enterprise.

North Carolina Surcharge Removed

The North Carolina legislature, which recently adjourned, amended the state banking laws so that standard bank fidelity forms and bankers blanket bond forms can now be issued without the imposition of excess rates for that state. The previous laws were so exacting in their requirements that the Towner Rating Bureau found it necessary to increase the bank fidelity rates and bankers blanket bond rates materially. Companies writing those lines restored the regular manual rates applicable to state banks following the legislative action. There were no surcharges on national bank rates.

Discuss Contract Business

The Aetna Casualty & Surety has completed a four-day conference of its fidelity and surety field engineers. It made an especially intensive study of the problems surrounding contract bonds. Addresses were made by Vice-President Wilnot M. Smith, Secretary A. R. Sexton, Secretary A. B. Palmerton and Engineer Edward W. Bush of the bond department. Vice-President W. L. Mooney and Secretary C. G. Hallowell of the agency department also spoke.

Union Indemnity Promotions

The Union Indemnity announces the appointment of Hugh Chapman as assistant manager of the fidelity and surety department. Prior to this promotion, Mr. Chapman was superintendent of the contract bond department. He is succeeded in this position by A. L. Robnett.

Consolidated on the List

NEW YORK, April 17.—Under a ruling of the Treasury Department the Consolidated Indemnity of this city is authorized to write up to \$604,805 on any bond running to the federal government, and has also been approved as surety in stipulations requiring one or more guarantors.

PERSONAL GLIMPSES OF CASUALTY MEN

Former Governor Alfred E. Smith of New York has been elected a director of the Consolidated Indemnity of New York City. Governor Smith was recently elected a director of the Metropolitan Life.

George L. Truitt, who was the managing underwriter for the Inter-Mountain Lloyds of Salt Lake City, has resigned his position and returned to Chicago. Mr. Truitt expects to remain in Chicago if possible. He was formerly vice-president and general manager of the Northwestern Casualty & Surety of Milwaukee until it was purchased by the Union Indemnity. Mr. Truitt for a long time was a casualty man in Chicago.

Vice-President J. Ray Donohue of the Pennsylvania Surety and Mrs. Donohue are both young, vivacious, wide-awake people. So young in appearance are they that a casual observer would not take these people to be the parents of seven children. Last week a new daughter arrived. When the oldest child, a boy, now past 11 years old, was born, J. Ray bought a box of 20-cent cigars and five pounds of candy, taking them to his office to distribute. When the second boy was born he bought 15-cent cigars and took three boxes of candy. Then came the first daughter and he bought 10-cent cigars and took two pounds of candy. As daughter after daughter came, J. Ray got on the receiving rather than the giving end. Therefore, when the fifth daughter arrived last week, J. Ray made the rounds of the officials of his company and department heads, gathering together a lot of cigars or any other gifts that would be appropriate on

an occasion of that kind. Be that as it may, the Donohues' nine make a decidedly interesting group, a well equipped baseball team.

Frank B. Haines celebrated his 25th anniversary with the Aetna Life and affiliated companies April 11. He is associated with the auditing department of the Aetna Casualty & Surety and was formerly fire commissioner of Hartford. He has been associated with various divisions of the company during his service and was active in the liberty loan department of the Aetna companies during the war. On the occasion of his anniversary Mr. Haines was remembered with a floral tribute by his associates. He is at present assistant to Charles E. Sprague in the bond salvage department.

George L. Radcliffe, president of the American Bonding, has just returned to Baltimore from a business trip through the north.

Charles E. Carr has resigned as New York manager of the Massachusetts Plate Glass. His company reinsured its New York business in the Massachusetts Bonding. Mr. Carr was formerly manager of the Plate Glass Insurance Survey Bureau of New York.

Robert Nay, recently with the publicity department of the Metropolitan Casualty and prior thereto in the same division of the Aetna Life group at Hartford, has been appointed publicity manager for the Fidelity & Casualty, in succession to W. F. Roehrer, Jr., who retires May 1 to enter business on his own account.

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Wanted by Stock Company—Territory comprises Illinois, Indiana and Wisconsin—Opportunity for advancement—Give full details, experience and salary first letter. Address K-89, care The National Underwriter.

PRESUMPTIONS ENTER INTO COURT RULINGS

(CONTINUED FROM PAGE 45)

on the day of his disappearance and in order to collect under it, it was necessary to show that he died from an accident which occurred within an hour after he left his companion. The decision of the lower court was in favor of the company, which contended that his death, conceding that he was dead, might have occurred in any one of four ways: (1) By accident; (2) by becoming lost on the mountain and starving to death; (3) by succumbing to exhaustion and freezing to death; (4) by death resulting from natural causes, due to physical strain. It urged that when these four possibilities were presented there was no presumption in favor of the first, in the lack of evidence in that direction. This view was upheld by the court.

What Court of Appeals Held

The court of appeals held, however, that if he had met his death in any of the last three ways, his body probably would have been found, and the fact that it had not been found raised a presumption that he had died by falling into a crevasse in the ice. To bring the case within the one-hour limit, it held further that the inference of immediate death could justly be drawn, inasmuch as he was in "imminent peril" from the time he started back. In accepting this presumption the court apparently ignored the fact that his companion and others who were on the mountain at the same time got back in safety.

Another federal court case was cited in which the court refused to base its decision on a presumption. This was a case involving an operation for stone in the kidney. In the course of the operation a clamp was applied to cut off the blood supply to the kidney. When it was removed, a hemorrhage followed, which resulted in the patient's death. The contention was made that the application of the clamp had ruptured a blood vessel and that this was an accident within the meaning of an accident policy.

Presumption of Accident Not Sustained

The court held that inasmuch as the operation had followed the usual course in such cases, and there was no evidence that any act in connection with it had not been performed just in the way it was intended, the presumption of accident could not be sustained. Reference was made to the case in which the patient had an idiosyncrasy for novocaine and died from its administration and to the one where a surgeon's needle struck an artery which was in an abnormal location, both of which have been held to come under accident coverage, but the court held that the case before it was not parallel with them, as in those cases, due to unknown and unexpected conditions, the operation had not been carried out as intended.

Other Cases Discussed

In the discussion which followed, several interesting cases that have arisen recently were brought up. In one of these cases a man who died from blood poisoning, resulting from an abrasion on his hand, told his wife just before he was taken to the hospital on Sunday that he had been struck by an automobile on Friday, but had said nothing about it prior to that time. The general opinion seemed to be that his statement to that effect would not raise a presumption of accidental injury, without further evidences before it.

Another case discussed was one arising in Iowa, where the injuries were the result of an assault. The company's

Competent Accident Man

Wanted by an Old Line Legal Reserve Insurance Company, to organize and take full charge of Accident Department. Liberal contract to the right man. Address K-67, care The National Underwriter.

policy contained a clause excluding liability for an injury from that cause. There had been some eye-witnesses to the affair, but they were not introduced by the plaintiff. The question was asked as to whether the presumption in that case was that the injuries were accidental. Mr. Pauley took the position that where the testimony of a doctor had been introduced to the effect that a man died from injuries, the presumption was raised that they were accidental, and if the company wished to defend under the assault clause, the burden of proof was on it.

ACCIDENT STATISTICS HAVE BEEN ANALYZED

(CONTINUED FROM PAGE 45)

horseback riding, picnics and outings at parks, boating and canoeing, bathing and swimming, or hunting.

Among travel accidents, excluding the automobile, the greatest number occurred on the railroad, with street railway, elevated and subway travel claiming not quite half as many.

Aviation Accidents

Accidents in public buildings, listed under miscellaneous in the Travelers analysis, were by far the most frequent of any mishaps grouped under that heading. However, it is interesting to note that aviation makes its appearance in this group with five claims, and that the total payments for such accidents amounted to practically one-third the sum required in settlement of more than 130 times as many mishaps occurring within public buildings. The horse and its vehicle, however, has practically disappeared as a factor in accidents, the Travelers figures show.

Grand Rapids Agency Expands

The Shinkman-Edwards Agency of Grand Rapids, Mich., general agent for the Great American Indemnity, is continuing with its expansion policy and has added to its organization W. F. Brooder and Martin Glouiding. Mr. Brooder has had an extensive banking and insurance experience in Michigan and is now devoting his entire time to the writing of all lines of insurance. Mr. Glouiding was connected for many years, with the Continental Casualty, both in the United States and Canada. Up until his associating himself with the Shinkman-Edwards Agency, he was special agent in Michigan for the Great American Indemnity.

Noblett With Massachusetts Bonding

LOS ANGELES, April 17—William L. Noblett has been appointed superintendent of the casualty department of the Los Angeles branch of the Massachusetts Bonding, according to announcement of H. P. Ringgold, manager. Mr. Noblett has been for the past two years with the local branch of the Georgia Casualty as manager and prior to that connection was in charge of the local claims department of the Metropolitan Casualty. Before coming to Los Angeles in 1925 he was a member of the home office staff of the Continental Casualty in Chicago in the automobile and casualty division.

Opens Raleigh Claims Office

The Richmond branch office of the United States Fidelity & Guaranty announces that it is arranging to open another claim sub-office in North Carolina. The new office will be located in Raleigh. Other claim offices were already located at Greensboro, Charlotte and Asheville. The office at Raleigh will give special attention to the adjustment of compensation claims. North Carolina recently enacted a workmen's compensation law to be administered by an industrial commission at Raleigh.

Agency Built to Order

An insurance agency that is "built to order" is described in this month's Hartford "Agent." Allen Russell & Allen, general agents of the Hartford Accident & Indemnity, built an office building exactly to their specifications right in the heart of the business district of Hartford, and occupy most of it themselves.

SEVEN 7 POINT FULL COVERAGE AUTOMOBILE POLICY



Satisfaction Is Something Costly

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No longer able to compete with modern conditions

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How many of your clients are still trusting to their old amounts and old forms to protect them in case of fire ?

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HAIL AND TORNADO INSURANCE NUMBER-1929

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

FRIDAY, APRIL 19, 1929

A tornado "twister" touching the ground from a black cloud—photographed at Sherman, South Dakota.

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Fury
of
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Wide World Photo

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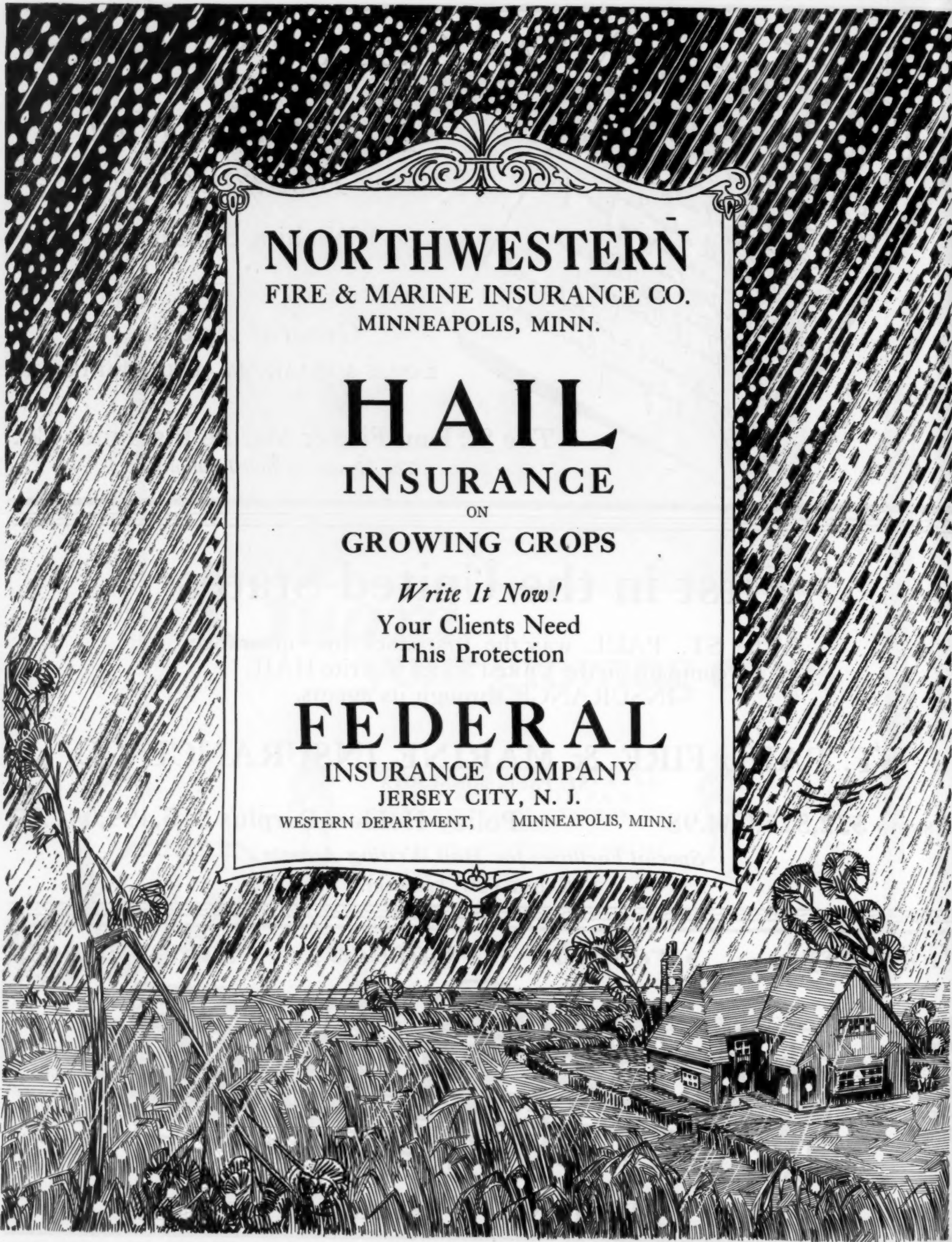
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The National Underwriter

Hail and Tornado Insurance Number



UHAT the hail business is in the way of becoming more profitable is indicated by the fact that the companies writing the majority of the business are getting a better spread of risks and by the fact that a number of those companies that sought volume—on almost any old underwriting basis—are withdrawing from the field. Not all the companies that have withdrawn in the last several years were out for "volume and more volume." Some of them, in fact, wrote little, and that little carefully, and have quit the field for a variety of reasons.

WIDER spread of risks is indicated by this, that in 1928 the hail premium volume increased materially in the east, the south and the northwest. Some states that had produced no hail business before 1928 produced some in that year. There was a time when, for reasons not founded in the logic of the occurrence of hailstorms by territories, practically all of the hail business was written in the Mississippi valley, in the great grain-growing belt. As tornadoes, cyclones and their frequent accompaniments, hailstorms, are common in the valley, naturally hail losses in this area always have been large

FRUIT. tobacco and grain growers of the east and south and in the northwest, however, are gradually being educated to the value of hail insurance as a preventive of losses in a hailstorm year. For the companies this means that whereas losses may be heavy in one part of the country, they may be light in another. When this is the case, as it is likely to be in the majority of years out of each ten, losses in one area will be offset to some extent, if not altogether, by profits in another. The beneficial result will not be all for the hail-writing companies, for if these companies can make money on the line they will continue to write it, will de-

velop better experience data for underwriting purposes, and therefore will be able to extend to agricultural America more and better insurance service.

COOPERATION among the companies to this end is constantly increasing. The carriers began to cooperate back in 1916, and have come closer together every year since that time. Cooperation in this case means not alone cooperation for selfish gain. Insurance is a public benefit, and each time the companies writing any line of insurance learn a means of conducting their business better the public shares in the benefits.

ONE laudable result of company cooperation is the gradual disappearance of the hail general agent appointed by Company B, the volume-seeker, after Company A, the sanely operated carrier, dropped him because he had no proper knowledge of hail writing and was unwilling to learn. In the days when volume was the cry of many companies, almost any agent could obtain a hail general agency. Some agents were almost compelled to take a general agency contract. This condition was harmful to the competent and scrupulous agents, who were blamed along with the incompetent and the unscrupulous for all the sins of the latter. The evils are disappearing from

the hail business, are being driven out by the companies, the agents and the buyers of hail insurance. It is a cooperative effort that is being made, and is resulting beneficially.

SINCE 1923, through 1928, hail premiums have steadily increased. The average loss ratio for the period from 1913 to 1928, inclusive, has been 66.46 percent. While this is heavy, there are signs of improvement. Better underwriting, better adjusting and wider spread of liability are certain to result in improvement.

ALL hail-writing companies are making vigorous efforts to improve the quality of their adjusting, and the quantity also. In the past, too many hail losses were "settled," not adjusted. The loss "settler" is in a bad way today. Either he must become an adjuster, with the interests of his company and his company's assureds in mind, or he must seek some other line of endeavor. To the end of creating a better kind of adjuster the companies are conducting schools in which serious minded men are being taught how to adjust every kind of hail loss on growing crops that may occur—on small grain, corn, fruits, tobacco, other crops. They are learning in minute detail how to determine a real loss from a moral hazard loss, a genuine large loss from a genuine small loss. They are being taught also, and

it is important, that the companies are not conducting a shell game, but an honest business, and are as eager to pay all legitimate claims as they are eager to avoid paying illegitimate claims.

IF there are any agents who believe either that the companies do not want hail business or that there is little of this business to be written, they are wrong in both beliefs. According to United States Department of Agriculture figures, less than 2 percent of the nation's potential income from agriculture is covered by insurance in any year. Any agent knows, then, that the companies are likely to do better on a larger percentage of writings than they can do on 2 percent. The agricultural department put the gross market value of United States agricultural products in 1928 at \$12,000,000,000. This figure, at the average 6 percent rate for hail coverage, puts the potential hail premium income figure at \$720,000,000. The actual income figure is considerably smaller than this potential income figure.

ALTHOUGH this hail special edition is devoted principally to hail on growing crops, it is not amiss to reiterate that hail insurance may be written on risks other than growing crops. The hail rider should be attached to every windstorm policy on a home or a private garage of the frame type, or on an automobile. The companies that write the windstorm cover report that more of this kind of hail insurance is being sold annually. Some companies, in fact, have developed a nice premium income from it. Which means that more agents are increasing their annual incomes. The companies want this business, and of course more agents will want it as more of them learn how easy it is to sell and how satisfied is the client who is covered against hail when hail damages any of his property.

U. S. Hail Insurance Leaders

	1928		1927	
	Premiums	Losses	Premiums	Losses
Hartford	\$2,903,918	\$2,603,902	\$3,428,677	\$2,503,526
Home, N. Y.	2,513,158	2,171,654	1,819,905	1,601,885
St. Paul, F. & M.	1,683,814	1,829,115	1,139,581	901,509
Great American	1,131,762	879,571	720,389	481,302
Springfield F. & M.	962,219	785,571	510,654	250,246
Niagara	676,855	561,084	487,764	364,805
North America	616,344	455,805	550,077	422,907
Continental	615,303	429,377	666,446	442,546
Twin City	589,386	619,553	184,129	131,719
Aetna	565,048	426,262	490,301	399,657

Hail Insurance Development Is Told

By JAMES B. CULLISON, JR.

Manager Rain & Hail Insurance Bureau, Chicago

MOST modern fire underwriters are unaware that hail insurance on growing crops is not new. Its history runs back over a century. In certain European countries the hail insurance companies are granted government subsidies. In Bavaria this form of insurance is conducted by the government, while in Bulgaria and Serbia hail insurance was made compulsory by law some years ago. In Germany, a few years before the war, the total liability written was over \$300,000,000.

In the United States and Canada it appears, from what information is available, the first organization to write this class of insurance was a small mutual which was organized by tobacco growers in Connecticut about 1880. It operated for several years, then went out of existence. Another mutual was organized in the same state in 1887.

Mutuals Became Active in North Dakota

In 1889 four mutual hail companies were reported as transacting business in North Dakota. Immediately after that time many mutuals were organized in the several states. Most of them operated a short time, then passed out of existence. By 1900 there were 37 organizations, located in seven states. The total premiums or assessments collected by them amounted to approximately \$843,000, and the losses incurred aggregated about \$407,000. Iowa produced more than one-third of the premium income, while Minnesota and Nebraska produced more than one-fifth each; Kansas less than one-sixth and the other three states smaller amounts.

By 1905 the total number of hail mutuals still in operation remained at 37, those that had dropped out having been replaced by new organizations. The premiums produced amounted to about \$800,000 and the losses were approximately \$400,000.

Mutuals Number Only 28 in 1910

By 1910 the total number of hail mutuals in operation had decreased to 28 as against a total of 37 in 1905. The premium income had increased to about \$1,000,000. At this time, the reports show, three of the Minnesota companies were operating in Kansas and Montana as well as in their own state, and one of the companies also wrote in North Dakota. In later years these same Minnesota mutuals transacted business in several other states and some of the Iowa mutuals have also been admitted to neighboring states.

In the five-year period following 1910, the hail insurance business increased greatly in volume, and by 1915, 39 hail mutuals were in operation, writing an aggregate premium income exceeding \$3,336,000. The year 1915 proved to be a severe test for hail-writing companies, stock companies as well as hail mutuals, as the losses in many instances exceeded the premium income of the companies. Some of the mutuals were caught without adequate reserves and the losses had to be pro-rated or additional assessments of premiums made. As a result of this disaster, mutual hail insurance received a set-back. During the season 1916 there were only 35 mutuals operating and the premium income amounted to only about two-thirds of that in 1915.

Many Mutuals Organized; Few Continue in Business

During the three years following 1916, the premiums of the mutuals again increased each year, and the 1919 income was about \$4,775,000. By 1919, from what information is obtainable, it appears that 121 mutual hail companies had been organized and that 41 remained in operation, the other 80 having ceased operations for lack of patron-

age or under pressure of insurance departments.

At present, mutual companies are quite a factor in writing hail insurance on growing crops, there being several such companies whose annual premium income equals or exceeds \$1,000,000.

North Dakota Makes State Fund Experiment

In 1911 North Dakota put into operation the first state hail insurance law, which offered hail coverage through a state hail insurance department. Later, Montana, Nebraska, Oklahoma and South Dakota enacted laws providing for the operation of state hail insurance departments, and the province of Saskatchewan in Canada conducted a provincial plan of writing hail insurance commencing with 1902, and the province of Alberta commencing with 1906.

Reports disclose that the first stock company to enter the field for writing hail insurance on growing crops commenced business in 1883. The business was developed slowly, and by 1905 at least one other company had entered the field. In 1905 the two companies wrote premiums of about \$800,000. Their losses were about \$400,000.

In 1910 at least five stock companies were writing the business, and the pre-

mium income had averaged about \$750,000 a year. The business was looked upon with disfavor by joint stock companies, as the losses and expenses had about equaled the premium income. During the period 1910 to 1915 the business showed a rapid increase, and by 1915, reports show, 35 companies were writing the class.

Experience Drives Out Many Stock Companies

As will be remembered by many of those who are now engaged in writing hail insurance, 1915 proved to be a disastrous year to the business, as the losses were heavy, averaging about 120 percent. The premium income was approximately \$6,400,000. However, the experience was so unsatisfactory that 16 or more of the leading stock companies retired from the field.

During the period 1916 to 1919, inclusive, the business doubled in volume nearly every year, except in 1917, when a partial crop failure in some of the states held the premium income at about the same as in 1916. In 1919 not less than 50 stock companies were writing business and the premium income had reached almost the \$20,000,000 mark. The loss ratio ran about an average of 50 percent of the premium income, and

most of the companies which suffered heavy losses in 1915 had about recovered from the effects of that year.

During the period 1920 to 1924 there was a constant reduction in volume of premium income, due largely to the recession in value of farm crops when, in 1924, the volume of premiums written was slightly in excess of \$9,000,000. The loss ratio was extremely heavy for 1923 and 1924. In 1925, the volume increased to approximately \$13,700,000 and the losses were \$9,500,000.

Premiums Increase Steadily After 1925

Since 1925 and up to and including the year 1928, there has been a constant increase in volume of premiums. In 1928 the volume amounted to \$19,131,000. The losses were \$16,156,000, the loss ratio being 84.45 percent. The aggregate premiums written by all stock companies during the period 1913 to 1928, inclusive, are \$190,924,000. Total of losses sustained is approximately \$126,890,000 with an average loss ratio of 66.46 percent. (See graph showing trend of premium income and losses sustained for the years 1913 to 1928, inclusive, from which it will be observed that the average annual premium income is \$11,932,000, while the average annual losses amount to \$7,930,000.)

From the graph it will be observed that the years of heavy loss ratio are: 1915-1916; that during the next six years the annual loss ratio averages approximately 50 percent, but in 1923-1924 averages approximately 87 percent, and again during the years 1927 and 1928 there is an increase in loss ratio to approximately 75 percent. Past experience shows that bad loss ratios occur at intervals of from five to seven years.

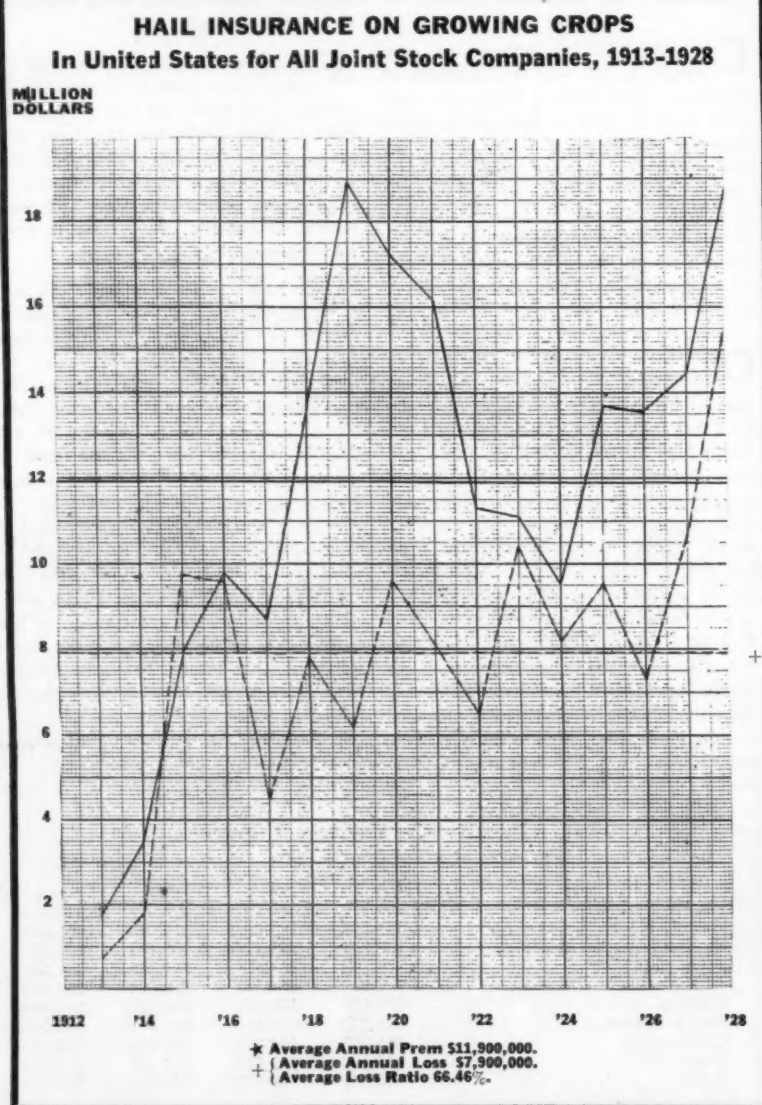
It is considered by prominent hail underwriters that 1927 and 1928 produced some of the most disastrous hailstorms experienced in the hail business. The storms were frequent and widespread, the crops in many large areas being totally destroyed by hail.

Business Originally Written at Haphazard

In the beginning the hail business was transacted in a rather haphazard manner, in that the underwriting was assumed by fire underwriters, who in many instances had very little information as to crop conditions and particularly as to the adjustment of losses. Also, many fire underwriters were of the opinion that there was no moral hazard in the hail business, since it was impossible for a man to "manufacture a hailstorm." It has been definitely proved to experienced underwriters that there is perhaps a greater moral hazard in the hail business than in any other branch of the insurance business. It is entirely possible for an insured to claim damage from causes other than hail as hail damage, particularly disease and insect damage, as well as adverse weather conditions other than hail; and, too, in the early development of the business, there was a tendency on the part of many underwriters to "make a drive for business" by courting the favor of local agents and being extremely generous in the payment of losses.

Commencing with 1916, many of the companies began to cooperate with each other toward effecting a permanent betterment of the methods of transacting hail business, such as redrafting the policy forms to take care of the elimination of claims where the damage was caused by conditions other than hail. The companies have also accumulated the experience of all stock companies by counties and in some states during the last five years the experience has been accumulated by townships (six-mile-square areas). These experience figures now make it possible for the companies

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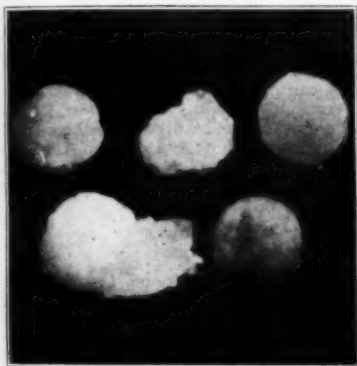
Hail Loss Totals Millions Annually

Government Weather Expert Shows Need for More Protection on Growing Crops in All Parts of Country

By S. D. FLORA,
Meteorologist U. S. Weather Bureau

HAIL losses for 1928 set a new high mark for crop destruction in recent years, at least, and totaled more than \$29,000,000, according to a tabulation of reports of 247 outstanding storms reported to the United States Weather Bureau. This is approximately double the estimated losses from outstanding hail storms of either 1926 or 1927. No successful effort has ever been made to compile the total loss from small as well as large hail storms, but undoubtedly it would exceed the figures quoted above.

While damaging hail has been known to occur in almost every part of the country, the 1928 hail damage seemed to occur in almost every part of the states, such as Iowa, Kansas, Texas, Oklahoma, and Nebraska. The hardest hit of all was Kansas, the premier wheat state, with a total loss estimated at between \$12,000,000 and \$13,000,000. Iowa seems to have had one of its heaviest hail losses in recent years. Oklahoma and Colorado had losses well over \$2,000,000 each, and Nebraska and Texas reported losses totaling close to \$1,500,000.



Hail stones that made a record for size. This hail fell at Potter, Neb., July 6, 1928. The one on the right measured 17 inches in circumference and weighed a pound and a half. It is reported. On the left is one made of two mammoth hailstones frozen together. These monster chunks of ice could be heard hissing through the air as they crashed from the sky.

000 each, with probably hundreds of small losses not accounted for.

Hail Causes Great Loss in Wheat Belt

In the two weeks ending June 20, 1928, hail storms in Kansas, sweeping across wheat that was almost ready for harvest, caused a loss of more than \$10,000,000, with an additional \$1,000,000 loss reported on other days of the month. Profits of hail insurance companies were wiped out in many western and southern counties of the state and hundreds of farmers who had not availed themselves of insurance were on the verge of bankruptcy. Hail insurance rates had been raised 20 to 30 percent in western Kansas at the close of 1927, and by the end of 1928 another raise seemed inevitable and there was some talk of state insurance. The worse the hail losses were the more wheat growers hesitated to carry their own risks.

The only state having a satisfactory record of hail loss is Iowa, where hail statistics are collected by the assessors. The following table gives the Iowa loss from the assessors' reports, except that of 1928, which is based on estimates collected by the Weather Bureau and

losses of insurance companies, as the assessors' reports for the year are not yet available: 1923, \$2,319,506; 1924, \$6,703,838; 1925, \$7,975,691; 1926, \$2,342,187; 1927, \$5,064,717; 1928, \$7,597,000.

While hail losses in Kansas are not collected as carefully as in Iowa, it is possible to approximate the state's loss by taking the ratio of the entire crop to the value of that insured and applying this ratio to the hail losses paid. This has been done in the accompanying table. The amount of insurance written and the losses paid are compiled from sworn statements submitted by stock hail insurance companies to the superintendent of insurance. The value of the entire wheat crop year by year is that given by the state board of agriculture.

An interesting confirmation of the soundness of the method of estimating Kansas hail losses is given by the fact that figures for 1928 gathered month by month during the year by the Weather Bureau total almost the same.

Michigan Heavily Hit by Hail Storms

In Michigan, a state not ordinarily considered a bad hail state, an investigation by Weather Bureau officials showed 601 hail storms in four years, with an estimate of losses, arrived at by the same method as that used in the tabulation for Kansas, as follows: 1920, \$689,305; 1921, \$1,011,845; 1922, \$572,300; 1923, \$337,228.

In Nebraska, Weather Bureau records show that on the average 7.2 percent of all thunderstorms occurring from April to September, inclusive, are accompanied by hail, and that for any given locality hail storms occur on an average of three times each year.

The largest hail stones of which there is an authentic record in the world fell in Potter, Neb., on July 6, 1928. One of these, as reported in a sworn statement furnished the Weather Bureau, measured 17 inches in circumference and weighed a pound and a half. The chunks of ice could be heard hissing through the air as they fell and when they hit, completely buried themselves. On April 18, 1893, hail stones seven and a half inches in circumference fell at Hebron, Neb., and on Aug. 11, 1910, the official observer at Hayes City, Neb., reported "Terrific hail storm; hail stones 9 inches in circumference." Hail stones of this size kill small animals and birds, literally pound crops into the ground, strip small branches from trees, break windows, and damage the sides and roofs of buildings.

On June 20, 1928, a hail and wind storm devastated a strip 4 miles wide and 25 miles long in Clay County, Neb.,

with damage estimated at \$360,000. Three days later a hail and wind storm in Nucholls county resulted in a \$300,000 loss. Crops were ruined, live-stock injured, poultry killed, and windows broken over a section of country 8 miles square. Less than a month later, on July 9, Harlan and Furnas counties reported a \$100,000 hail loss, and on July 11 a hail loss twice as great occurred in Scotts county and at Rushville.

While Missouri hail statistics are not available in tabulated form, the state has known some terrific falls of hail. On May 14, 1898, hail stones eight to nine and one-half inches in circumference fell over an area three miles square in Kansas City, Mo. South windows and skylights were broken in nearly every house in the central and eastern sections of the city. Greenhouses suffered almost complete destruction. Horses, pelted with hail, ran in every direction. Several persons were injured. States were broken on roofs. Fruit trees in the eastern half of the city were stripped of buds and foliage, and plants, flowers, and vegetables were crushed to the ground.

Shaw's Gardens in St. Louis Damaged

On May 28, 1927, St. Louis had a great pelting of huge hail stones that caused a loss of \$750,000 at Shaw's Gardens, the show place of the city, and \$760,000 damage in East St. Louis. The total loss for the city, known to be enormous, was not estimated. Seventeen persons were so badly injured by hail stones in East St. Louis they had to be treated at hospitals. Two days later a severe hail storm swept over Scott county, Mo., with a crop loss of \$400,000.

Weather Bureau reports show that the toll of hail in Texas is heavy from year to year. One of the most noted Texas hail storms struck Dallas on May 8, 1926, with a loss in the city estimated at more than \$750,000. In the business section buildings looked as if damaged by machine-gun fire.

Eleven severe hail storms occurred in Texas in May, 1928, with a total loss well over \$1,500,000. The worst of these occurred at Amarillo on May 18, another swept a path from Dimmitt to Plainview, and another, with a path a mile wide and 15 miles long, caused a loss of \$500,000 near Raymondsville.

Eastern States Are Not Immune

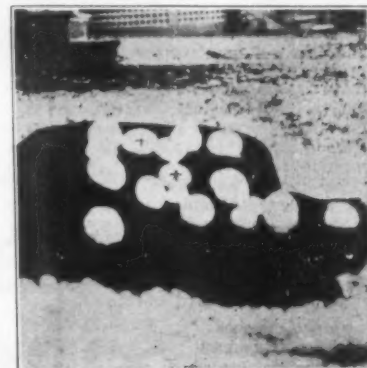
In the east a hail storm struck southeastern New Hampshire and northeastern Massachusetts on July 17, 1924, and lumps of ice larger than baseballs were reported to have fallen. Near Salem, N. H., crops and fruit trees were de-

stroyed, gardens riddled, and hundreds of window panes broken. The total loss in Lawrence, Methuen, and Salem was placed at \$75,000, but a satisfactory estimate of the total damage of the storm was impossible on account of the wide area affected.

Baltimore, Md., had such a severe hail storm on May 24, 1925, that traffic at one of the main street intersections was blocked by hail stones. A half million dollar loss was reported in Maryland on June 6, 1917, and several other severe hail storms in that state have resulted in damage well over \$250,000.

New York state has had several terrific hail storms in its history, among which may be mentioned one on July 25, 1925, in Livingston county that caused a \$250,000 loss, and another four days later along the Hudson river, in Ulster and Orange counties, with a loss estimated at from \$200,000 to \$350,000.

The south is also liable to heavy hail. Five severe hail storms in Georgia in 1928 caused losses totaling close to \$100,000, and one in Alabama caused a



No crops can survive hail stones like these. This hail fell in Kansas City, Mo., May 15, 1928. Hen eggs, marked with a cross, give an idea of the size of the chunks of ice that fell. Plants, flowers, and vegetables were crushed to the ground, trees stripped of buds and foliage, and thousands of windows broken. Hail such as this will ruin a roof.

loss of \$300,000. Hail caused a loss of \$262,000 in Sumpter and Clarendon counties, South Carolina, and losses estimated at from \$85,000 to \$100,000 in York county.

There are also in the files of the Weather Bureau, records of great losses from hail in California, Washington and Oregon.

Hail loss, while scattered over the entire country, falls to a large extent on individuals who are financially unable to carry the uncertain risk without insurance, as a single hail storm is likely to sweep away the results of a year's work on the part of a farmer.

Do you know you can sell tornado liability insurance? If wind blows down a tree which injures or kills people, the person on whose property the tree stood may have a heavy damage claim presented to him. Try this on some of your clients, especially those who believe in "complete protection."

After the tornado passes through, you always can see wrecked buildings, the streets in front of which are blocked with the wrecks of wind-struck automobiles. Yes, there is a moral in this.

HAIL LOSSES IN KANSAS

Year	Value of wheat insured	Total value of wheat crop	Hail losses paid	Estimated hail loss of state
1915	\$24,004,444	\$151,583,031	\$2,123,361	\$13,500,000
1916 and 1917	9,617,977	85,679,211	409,976	3,800,000
1918	19,228,672	186,332,975	488,108	4,700,000
1919	69,119,063	289,886,360	2,039,499	8,500,000
1920	29,580,547	262,110,066	734,186	6,500,000
1921	24,908,114	123,876,118	658,425	3,300,000
1922	20,033,240	105,489,103	1,283,498	6,800,000
1923	25,845,353	66,341,972	2,196,030	5,600,000
1924	28,365,501	163,809,506	1,479,408	8,600,000
1925	30,724,941	103,888,770	1,631,267	5,500,000
1926	30,928,033	179,995,914	1,463,686	8,600,000
1927	50,809,483	130,294,960	3,127,960	8,000,000
1928	60,975,961	167,324,843	4,778,139	13,100,000

Hail Insurance Is Income Protection

Coverage Is Peculiar in That It Is Designed as Guard Against Loss on Commodities That Are in Process of Development

By W. A. RUTLEDGE

Des Moines, Iowa

IN MANY respects hail insurance on growing crops is very similar to any other kind of insurance, but it has its peculiarities. It will be my object to point out some of those peculiarities rather than to dwell on its general character as insurance protection.

Hail insurance is that kind of protection which indemnifies a farmer for loss sustained to his growing crops caused by hailstorm. It is a protection on his income and working capital rather than on his savings.

Hail losses are the results of upheavals of nature in the air caused directly from hot, moist air mixing suddenly with a very cold current of air, and usually come after an unseasonably hot, sultry day.

False Hail Claims Are Often Made

Being the result of natural causes, a loss by hailstorm is considered generally free from moral hazard. However, many excessive, unjust and unwarranted claims are made and the companies have small chance to evade them if they are persisted in.

The falseness of some of these claims, while readily detected by the adjuster, is sometimes very difficult to combat or prove. It is therefore quite generally understood by officers of hail associations and companies that there is a pronounced moral hazard in this line of protection.

The line to be drawn between stock and mutual companies is very largely the same line that can be drawn in other classes, but between the mutual underwriters themselves there appears to be less regard for the rights of each other and a lower standard of ethics.

Untrained Agents Bane of Business

I am not convinced that the men who are handling this class of risks are not as honorable and high minded as those in any other line, and I think most of them are honestly endeavoring to correct the ethics of hail insurance writers. But the problem seems much more difficult to handle. Perhaps this is due to the fact that in many instances transient or drifting agents are used. The business is a very short season business. Many new agents must be taken on each season for only a few weeks, and untrained and inexperienced agents do not imbibe the spirit of loyalty nor the idealism necessary to high ethical conduct.

In time this may be cured, but it is going to take a supreme effort on the part of the managers of the companies and frankness and confidence in the good intentions of each other. The companies which have a large wind-storm business and more permanent and fixed agents have a better opportunity to control the agents' actions than those companies which run largely to hailstorm risks.

There are two general plans of writing crop insurance, and many different methods of operating these plans. The plans may be identified as the bushel, or market value, plan and the percentage, or agreed value, plan. In the bushel plan the crop is generally insured as so many acres at so much per acre with a provision in the contract that unless the insured carries a minimum, generally fixed at \$20 or \$25 per acre, on corn and wheat and from \$10 to \$15 per acre on oats, the loss will be pro-rated. This clause acts somewhat like a co-insurance clause.

The accepted method adopted by most of the companies using the bushel plan

of settlement is to determine the number of bushels lost and to pay for it at the local market price per bushel at a given date, usually about Oct. 1 on small grain and Dec. 1 on corn. The advocates of this plan stress the idea of full market price as its strong point, although one member may be carrying on his crop a maximum of 40c a bushel on corn while his neighbor carries \$1 a bushel, and the latter pays two and a half times as much for his protection as the former.

The percentage or agreed value plan is one under which the policy issued states that it is agreed that the actual value of the crop is the amount of insurance carried on it. On this plan

there is no minimum nor maximum limit. A farmer fixes the value of his own crops at the time he insures them. The market price does not in any way affect the value of a crop insured under this plan, nor does the value of the crop change.

Advocates of this plan contend that it is more just because under it the insured gets just what he pays for. The one whose crop is insured for what amounts to 40 cents a bushel gets 40 cents, while the ones whose crop is insured for \$1 gets \$1 per bushel. Like the policyholder insured under the bushel plan, the latter man pays two and one-half as much as the former, but in this instance he also gets two and

one-half times as much for his loss. Those advocating this plan claim it to be much less complicated and that it can be more fairly and easily administered.

Loss Adjusting One of Association Functions

Perhaps one of the most important functions of a hail association is the adjustment of losses. And because the loss is on a crop not yet made and because losses occur at all stages of growth, it is much more difficult to get at the actual loss. Dishonest claimants can make such outrageous demands and cover those demands with such a cloak of seeming frankness that it seems impossible to get at the real claim. It is therefore of as much importance to be able to adjust the man as it is to adjust the loss.

The adjuster must be well up on plant life and be able to explain how a plant grows. He must be familiar with the ravages of insects and worms as enemies to crops and know at a glance the symptoms of the different diseases, of which there are many.

He must be athletic and healthy, able to tramp the fields all day, and a quick thinker, able to arrive at results surer and quicker in his head than the other man can on paper. He should, however, never settle a loss without figures and should lead the assured through all the transactions step by step so that the loser may know when the result is reached that it is correct and has been fairly arrived at.

Adjuster Must Know Effects of Weather

The adjuster must be familiar with the effects of the weather for the next two weeks following the storm and be able to a nicety to determine the growing conditions and the degree of nature's healing. No loss occurring while the crop is still green and growing should be adjusted within two weeks from the date of the loss.

Hail insurance needs cooperation among the managers. In this group should be included the general agents and adjusters. Hail insurance men should get together and by earnest and concentrated endeavor work out the many complicated problems which today cause the public to regard hail insurance with more or less apathy or distrust.

rial damage. At certain stages the entire crop may be beaten down and yet with favorable weather conditions following the storm a partial or complete recovery may take place. Then again, the crop may have been damaged by insects or plant diseases before the hail occurred. It takes an expert to determine whether the damage claimed is due to hail or other causes.

This in brief is some of the story of hail insurance. It is a hurried, thrilling and uncertain part of our business, filled with many possibilities and sometimes just as many disappointments.

Life insurance men have learned that in most cases in which a prospect orders a \$15,000 policy they can deliver a \$25,000 policy to him. If he orders \$25,000, he is delivered \$50,000. The method is psychologically sound, as is proved by the large numbers who accept larger policies than they ordered. The local agent can use a similar method. He can issue combined fire, tornado and hail policies and make them stick in the great majority of cases.

Hail Insurance Premiums Vary With Weather, Crop Conditions

By C. A. DOSDALL

Secretary St. Paul Fire & Marine

HAIL insurance on growing crops is said to have originated in Germany. It was introduced into this country in the early eighties. A small mutual company organized in Connecticut in 1880 by tobacco growers is believed to be the first insurance company to write hail in the United States.

The first stock insurance company to undertake it was the St. Paul Fire & Marine. It wrote its first hail policy in 1883, in Minnesota. The total premiums that year amounted to \$823.35. The next year the operations were extended to the Dakotas and Nebraska and in the late nineties Kansas, Oklahoma and Texas were added. In 1913 Canada was added, the St. Paul there, as in the United States, again being the first stock company to write the business. Now there are about 60 stock companies writing hail insurance.

1919 Peak Year in Business

From this small beginning the business has grown to one of considerable magnitude. In 1919, the peak year, the premiums for all stock companies amounted to approximately \$19,000,000. The volume each year varies with crop and weather conditions. In good crop years the volume goes up and in years of partial crop failures there is little demand for hail insurance.

The premium figures of the St. Paul give a fair example of the fluctuations in the amount of business written. In 1900 the premiums amounted to about \$175,000. From then on they gradually increased each year until in 1905 the volume had reached \$600,000. It stayed around this figure until 1915 and then took a sudden jump to almost \$1,000,000. By 1919 the total had passed the \$2,000,000 mark. The next year it dropped to \$1,000,000 again and by 1923 had decreased to a little more than \$300,000. Since then it has been on the increase every year and this year will be the second largest in volume, with an income of about \$1,800,000.

Losses vary as much as the premiums. The biggest year in premiums produced one of the lowest loss ratios, and this

year (the second largest in volume) will undoubtedly be the most disastrous from the standpoint of actual loss in dollars. On the whole, the business has been profitable.

Hail insurance differs from fire insurance in many respects. The policies are written for the crop season only, liability ceasing when the grain is cut and all policies automatically expire Sept. 15 if the grain insured is still standing. Signed application must be submitted, accompanied by remittance for the net amount of the premium. Every policy must be paid for before it is written. No difference is made in the premium charge, because of the lateness of the date on which the insurance goes into effect or the early harvesting of the crop insured. One risk may remain insured two or three times as long as another without affecting the premium. Rates vary from 3 percent to as high as 15 percent, depending on the location of the crop insured.

All hail policies are valued policies, the crop for adjustment purposes being valued at the amount of insurance per acre. In case of total loss the insured collects the amount of insurance per acre and on partial losses the amount paid is such part of the insurance per acre as the damage by hail bears to the sound condition of the crop damaged. In other words, if the crop is damaged 50 percent by hail and is insured for \$10 per acre, the insured collects \$5 for every acre so damaged.

Liability Should Be Widely Spread

One of the most important features of hail insurance from an underwriting standpoint is distribution of liability. No company can make a profit on the business over a period of years unless its liability is spread out over a large area. Weather conditions are too uncertain to limit the writing to any particular state or portion of a state. One disastrous storm might result in a loss that could not be made up in many years. Another is loss adjustments. Frequently hail occurs before the crop has matured sufficiently to be susceptible to mate-



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Hail Loss Ratio Soars—Premiums Gain

HAIL premiums gained over \$3,000,000 in 1928 over the previous year. The loss ratio showed a further gain and was 84 percent in 1928 as compared with 74 percent in 1927. These figures are for the United States business only. All the large companies ex-

perienced large loss ratios on their writings. In the number of cases the companies' losses exceeded the premiums. The Hartford and the Home still led the van in premium volume. The former company had \$500,000 less premiums in 1928 and the latter company had over

\$700,000 more. The Great American and the St. Paul Fire & Marine were the only other companies to write over \$1,000,000 of hail premiums in 1928.

The reinsurance companies wrote \$368,705 in hail premiums in 1928 and experienced \$251,077 in losses. The loss

ratio was 68.2 percent, a large increase.

In Nebraska, North Dakota and South Dakota the State Hail Fund wrote \$4,492,869 in hail premiums and paid \$4,211,970 in losses.

The experience of the companies is given below:

COMPARISON OF HAIL PREMIUMS AND LOSSES OF STOCK COMPANIES IN U. S.

	1928			1927			1926				1928			1927			1926		
	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio		Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
Aetna	\$ 565,048	\$ 426,262	75.4	\$ 490,201	\$ 339,657	69.3				Merch. & Traders	14,540	15,676	107.9	12,858	12,529	97.4			
Alleghenia	2,027	749	37.0	1,981	1,461	74.0				Merchants, N. Y.	232,632	257,812	111.2	192,355	146,658	76.3			
American Eagle	123,049	86,341	70.0	128,833	99,752	77.4				National, Conn.	237,418	172,414	72.6	275,757	211,327	77.0			
American, N. J.	101,162	40,352	39.8	115,581	47,305	41.0				National Union	412,301	190,108	46.1	216,933	156,900	72.3			
Boston	3,880	749	19.3							New York Under.	18,221	14,330	78.6	13,923	9,608	69.0			
British America	3,139	1,224	39.0	3,005	1,158	38.5				Niagara	676,855	581,084	85.9	487,764	364,805	74.8			
Camden	56,277	74,489	132.4	123,333	84,464	68.5				North River	5,147	3,571	69.4	18,961	10,238	54.0			
Central, Md.	11,644	892	7.6	9,154	707	7.7				North Star	6,457	5,737	88.8	5,643	4,049	72.0			
Columbia, N. J.	20,286	17,489	86.2	21,175	21,308	100.6				Northwestern F. & M.	497,593	434,018	87.2	404,540	240,882	60.0			
Connecticut	21,643	9,507	43.9	4,612	1,656	36.0				Norwich Union	6,512	247	3.8	3,817	1,131	29.6			
Continental	615,303	429,377	70.0	666,446	442,546	66.4				Ohio Farmers	2,823	317	11.2	3,121	182	5.8			
Dixie	19,068	5,228	27.4	23,283	7,017	30.1				Phoenix, Conn.	35,869	15,754	43.9	71,836	46,550	65.0			
Eagle Fire, N. Y.	2,340	60	2.6							Potomac	29,152	36,967	126.8	16,098	7,858	49.0			
Equitable F. & M., N. Y.	4,329	1,901	43.9	8,670	3,666	42.3				Providence Wash.	431,151	441,675	102.4	303,771	226,064	74.4			
Federal, N. J.	169,382	111,485	66.0							Prudential, Eng.	10,027	10,591	105.6	21,431	12,814	60.0			
Federal Union, N. Y.	3,701	3,387	91.5	5,238	3,050	58.2				Queen City, S. D.	25,910	20,086	77.5						
Fidelity Phenix	492,254	336,418	68.3	474,932	303,487	64.0				Rocky Mountain	87,928	37,803	43.1	79,445	39,608	50.0			
Firemen's, N. J.	6,986	7,456	106.7	7,907	11,239	142.1				St. Paul F. & M.	1,683,814	1,829,115	108.6	1,139,581	901,509	79.0			
First American				59,581	47,772	80.0				Scottish Union & Natl.	6,021	499	8.2	4,303	418	10.0			
Glens Falls	244,334	210,678	86.3	217,818	201,124	92.3				Security, Conn.	364,097	274,963	75.5	277,516	209,335	75.5			
Globe & Rutgers	551,342	340,505	61.8	728,248	522,035	71.7				Springfield F. & M.	962,219	785,571	81.7	510,854	250,246	49.0			
Great American	1,131,762	879,571	77.7	720,389	481,302	66.8				Star	11,105	10,163	91.5	15,714	9,151	58.3			
Guardian Fire	7,383	5,770	78.0							Travelers	9,176	2,954	32.2	6,902	536	7.8			
Hamburg-Amer.	10,647	10,094	94.8							Twin City	589,386	619,553	105.1	184,129	131,719	72.0			
Hartford	2,903,918	2,603,902	89.6	3,428,677	2,503,526	73.0				U. S. Fire	74,651	46,452	62.2	72,131	81,834	113.0			
Home, N. Y.	2,513,158	2,171,654	86.4	1,819,905	1,601,885	88.0				Westchester	434,333	160,833	37.0	238,450	220,399	92.6			
Hudson	253,412	257,635	101.7	192,896	147,045	76.3				Western, Canada	4,795	1,838	38.3	4,465	1,736	39.0			
Imperial Assur.	20,286	17,415	86.0	21,175	21,308	100.6				World F. & M.	125,676	127,175	101.2	47,587	51,736	109.7			
Ins. Co. of N. Amer.	616,344	455,865	74.1	550,077	422,907	76.9				Totals	\$17,549,961	\$14,757,711	84.1	\$14,501,703	\$10,686,018	74.0			
L. & L. G.	39,227	54,205	138.2	83,807	48,804	58.2													

HAIL BUSINESS OF REINSURANCE COMPANIES

	1928			1927			1926		
	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
Fire Reinsurance	\$2,882	\$2,017	70.0	\$283,962	\$38,741	14.0			
International, N. Y.	45,715	18,382	40.2	43,659	16,947	39.0			
Inter-Ocean Reins.	275,093	190,746	69.3	304,611	110,169	36.2			
Jupiter General	506	272	53.7	1,703	1,398	82.1			
Mechanics & Traders	14,539	15,675	107.9	12,858	12,529	97.4			
New India	4,620	3,484	75.4						
Reinsurance Salamandra	10,228	9,020	88.2	16,928	11,705	69.2			
Rossia	11,457	8,091	70.6	25,368	31,712	125.0			
Skandinavia	3,669	3,380	92.1	1,742	1,665	95.6			
Totals	\$368,705	\$251,077	68.2	\$600,831	\$224,656	37.5			

REPORTS ON STATE HAIL FUNDS

	1928			1927			1926		
	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
Nebraska	\$20,562	\$19,602	95.3	\$67,332	\$61,676	91.6			
North Dakota	3,967,782	3,720,069	94.0		3,315,917	85.0			
South Dakota	504,525	462,299	91.6						
Totals	\$4,492,869	\$4,211,970	93.7	\$67,332	\$3,377,593	501.6			

†Paid 85 percent in 1927.

*Taxes are levied to cover losses.

HAIL WRITINGS OF MUTUALS

	1928			1927			1926		
	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio	Prem.	Losses	Loss Ratio
Austin Mut., Minn.	\$210,159	\$155,679	74.1	\$161,805	\$53,999	33.4			
Capital, Nebr.	7,915	5,058	63.9	11,190	6,257	56.0			
Central Mut. H. & C., Wis.	45,838	34,682	75.7						
Chicago Lloyds	67,511	46,731	69.2						
Citizens Fund Mut. Hail.	5,113	677	13.2	3,094	199	6.4			
Conn. Valley Mut. Hail.				79,756	152,893	191.6			
Des Moines Mut.	16,928	4,243	25.1	17,993	4,566	25.4			
Farmers Coop., Nebr.	145,116	71,559	49.3	112,629	69,348	61.7			
Farmers Hail, Kan.				78,134	64,011	82.1			
Farmers Mut. Reins., Ill.	60,408	8,205	13.4						
Farm Mut. Hail, Ia.	1,540,140	1,113,390	72.3	1,190,954	717,652	60.3			
Farm. St. Mut. Hail, Ia.	79,171	31,070	39.2	74,451					
Farm Union Coop., Nebr.	60,876	36,802	60.4						
Farm. Un. M. Hail, Kans.	61,901	53,344	86.2	57,902	58,760	101.3			
Harv. Hort. Mut., Ia.	23,734	6,204	26.5	58,460	13,088	22.4			
Hawkeye Mut. Hail.	214,700	129,180	60.2	179,233	86,235	48.1			
McPherson Hail, Kans.	44,830	63,754	142.2	58,041	65,561	113.0			
Michigan Mut. Hail.	75,546	92,319	122.2	56,511	33,876	60.0			
Mid-West Mut., Ia.				168,049	82,250	48.9			
Minn. Farmers Mut.	141,761	87,452	61.7	129,466	53,524	41.3			
National Coop. Hail, Nebr.	87,731	47,944	54.5						
Nebr. Farmers Mut. Hail.	31,235	11,083	35.5						
Square Deal Mut. Hail, Ia.	323,795	272,552	84.1	263,051	151,924	57.7			
State Farm. Mut., Minn.	103,594	57,379	55.4						
Union, Nebr.	83,447	24,881	29.8	80,192	25,299	31.6			
Totals	\$3,442,888	\$2,359,914	68.5	\$2,769,307	\$1,655,736	60.0			

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Adjusting Methods Show Improvement

By W. N. ROBBERSON
Assistant Superintendent Hail Department, Hartford Fire

WHILE a comparison of last year's experience with that of previous years does not indicate at a glance that conditions in the hail business are improving, we nevertheless know that insofar as adjusting methods and practices are concerned there has been marked and continuous improvement during the last three years. Specific cases are constantly coming to light where better adjustments have been made, where difficult situations have been well handled and where unsatisfactory agencies have been brought to a correct and proper understanding of their duties, their authority and their responsibility to their companies. Thereby these agencies have been transformed from unsatisfactory agencies, whose business was being shunned by the companies, to highly satisfactory agencies whose business is now very acceptable. These improvements are directly traceable to better cooperation among all who are engaged in the hail business.

By "all" I mean to include company executives in the east and the west, the hail managers in the west, the special agents, the hail adjusters and the field men who are representing departments other than the hail departments of their companies.

Attitude of Field Men Has Been Changed

I believe the attitude of the recording field men toward the hail business, the special agents and the hail adjusters, has undergone a complete change in the last few years. It seems that since those directly responsible for the hail business have made a determined effort to place this activity on the high plane it deserves to be on, and since evidence of success, at least in a certain measure, is becoming apparent, the recording field men of the various companies have come to realize that the hail business is rightfully entitled to their wholehearted support, and actually fills an important place in the business of insurance.

When all this has been said, however, the fact remains that the failure of our underwriting to yield a balance on the right side of the ledger affords conclusive evidence that we have a long way to go before we shall reach the goal for which we are striving and which we yet believe we will attain. The glaring difference between the hail premium income of the companies and the cost of the service they are rendering the communities must be rectified in the near future if we are to expect our companies to continue to render this service, which in many communities seems to be almost if not altogether indispensable. I say indispensable because I believe there are certain communities where business, banking, and farming would be bankrupt beyond redemption if it had not been for relief brought to them by the hail insurance companies in the last few years.

In a certain region in which upward of 100,000 acres of grain had been hailed out, many merchants shuddered when they speculated what would have happened to them had it not been for the money paid by the hail-writing companies. Many farmers would have been unable to liquidate any of their indebtedness, and would not have been able to obtain credit sufficient to enable them to start over again and to put in crops for the next season.

Certainly a service of such importance is one that we should use every possible effort to save not only for ourselves, not only for hail departments, but for the good of the insurance business as a whole, and for the good of all business that looks in whole or in part to agriculture for its support.

It has become apparent that there are several directions in which the companies may look for readjustments that

The accompanying story by Mr. Robberson, one of the hail experts of the United States, is taken from an address made at regional meetings of hail insurance adjusters, which the companies hold through the middle west and the west for the purpose of improving conditions not alone in the adjusting end of the business, but in all of the business.

Hail-writing companies are cooperating more closely each year on all matters affecting the line. The result is better methods, more inter-company harmony and increased public good will. Mr. Robberson is optimistic about the future of the business, but points out some of the readjustments that must be made before the improvements are reflected in the companies' loss ratios.

are necessary to establish a proper balance between hail income and hail outgo. There are rate adjustments and territory selection, and in connection with these two important phases of the business the companies are now better prepared to act wisely than ever before because of statistics that have been

carefully compiled for the last several years and which are available to the underwriting departments of all the companies.

There is still room for much improvement in loss adjustments. Then the companies feel they can hope for improvement in the direction of better

selection and training of agents who are to be entrusted with responsibility in connection with selecting our business, selling our policies to farmers, helping to bring about equitable adjustments and performing other duties that may be assigned to them. The local agent is the hub of our business, and when we place our supplies in his hands we give him control of at least one of the strings of the company's purse.

Two Classes of Agents Detrimental to Business

There are two classes of agents who are detrimental to our business and who make substantial contributions to our loss ratio every year. There is the unethical agent, and there is the agent who lacks proper training and who therefore does not understand his duties, his authority and his responsibility to his company, who has not been taught the things he should know that would help him safeguard the interests

(CONTINUED ON LAST PAGE)

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UNDERWRITERS' AGENCY**

**UNITED AMERICAN
UNDERWRITERS' AGENCY**

Minneapolis, Minnesota

Jack Caldwell Asks for Better Adjusting

Jack Caldwell, Montana special agent of the Home, one of the largest of the hail-writing companies, writes as follows regarding the adjuster, the importance of his work and the need for higher quality in this work:

"Trained adjusters, in my opinion, are one of the most essential factors we need if we hope to continue writing hail business with chance for a reasonable underwriting profit. Until recently it was the practice of hail managers to employ ex-farmers for adjusters, regardless of their personality or understanding of human nature, and without any knowledge of the work they were expected to do. They simply hazarded a guess at the percentage of hail damage. In view of the present country-wide prosperity, it is extremely difficult to employ men of the right caliber, age, and experience to adjust hail losses. Any company that is so fortunate as to have a sufficient number of high class adjusters to handle losses under the scientific method now in use is indeed fortunate and should by all means make their work as remunerative for them as production will permit."



Don't delay **Protect**
your growing crops
to-day



AMERICAN EAGLE
FIRE INSURANCE COMPANY
EIGHTY MAIDEN LANE, NEW YORK, N.Y.

ERNEST STURM, Chairman of the Board
PAUL L. HALL, President

CASH CAPITAL—ONE MILLION DOLLARS

NEW YORK

CHICAGO

SAN FRANCISCO

DALLAS

Note

The three-color window poster reproduced herewith is one of many selling helps designed by the American Eagle Fire Insurance Company to aid its agents in making 1928 the biggest hail writing year in the history of their agencies.

HAIL OFFICES

MINNEAPOLIS, MINN.....1106 Plymouth Bldg.
GREAT FALLS, MONT.....11 2nd St., No., Box 1515
OMAHA, NEB.....777 Brandeis Theater Bldg.
TOPEKA, KAN.....301 Mulvane Bldg.
OKLAHOMA CITY, OKLA.....420 Mercantile Bldg.
DENVER, COLO.....Gas and Electric Bldg.
CHICAGO, ILL.....Box 771, 844 Rush St.



CLASSES OF INSURANCE WRITTEN: Fire, Automobile, Explosion, Riot, Civil Commotion, Tornado and Windstorm, Sprinkler Leakage, Use and Occupancy, Profits, Leasehold, General Merchandise Floaters and Inland Marine.

CORROON & REYNOLDS

92 WILLIAM STREET

INCORPORATED
MANHATTAN

St
B
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ssive a

Asse
\$10,099,
\$ 4,889,
\$ 5,762,
\$ 2,258,
\$ 5,034,
\$ 408,
\$ 5,774,
\$ 2,922,
\$ 4,076,
\$ 5,327

Strong Fleet Standing Firmly Behind Its Agency Force

Prompt payment of losses at the trying time of a tornado or other disaster is indeed a valuable asset to an agent. Representation in this fleet always assures an agent of sound, massive and equitable dealings.

CORROON & REYNOLDS FLEET EXTENDING COUNTRY-WIDE SERVICE AND PROTECTION

December 31st, 1928, Statements

AMERICAN EQUITABLE ASSURANCE COMPANY OF NEW YORK			
Assets	Liabilities	Capital	*Net Resources
\$10,099,162.29	\$3,394,266.51	\$2,000,000.00	\$6,704,895.78
BRONX FIRE INSURANCE COMPANY OF THE CITY OF NEW YORK			
\$ 4,889,591.12	\$ 755,197.32	\$1,000,000.00	\$4,134,393.80
BROOKLYN FIRE INSURANCE COMPANY			
\$ 5,762,813.80	\$1,293,331.77	\$1,000,000.00	\$4,469,482.03
GLOBE INSURANCE COMPANY OF AMERICA Pittsburgh, Pa. (Incorporated 1862)			
\$ 2,258,430.77	\$ 813,552.56	\$ 512,000.00	\$1,444,878.21
KNICKERBOCKER INSURANCE COMPANY OF NEW YORK			
\$ 5,034,363.88	\$2,255,641.18	\$1,000,000.00	\$2,778,722.70
LONG ISLAND FIRE INSURANCE COMPANY			
\$ 408,657.14	\$ 42,532.38	\$ 200,000.00	\$ 366,124.76
MERCHANTS AND MANUFACTURERS FIRE INSURANCE COMPANY Newark, N. J., (Chartered 1849)			
\$ 5,774,475.31	\$1,291,847.16	\$1,000,000.00	\$4,482,628.15
NEW YORK FIRE INSURANCE COMPANY (Incorporated 1832)			
\$ 2,922,000.19	\$ 927,051.01	\$1,000,000.00	\$1,994,949.18
REPUBLIC FIRE INSURANCE COMPANY, Pittsburgh, Pa. (Incorporated 1871)			
\$ 4,076,176.31	\$1,040,535.31	\$1,000,000.00	\$3,035,641.00
SYLVANIA INSURANCE COMPANY, Philadelphia, Pa.			
\$ 5,327,783.03	\$ 758,805.07	\$1,500,000.00	\$4,568,977.96

*Net Resources, being aggregate of Capital, Net Surplus and Voluntary Reserves.

REYNOLDS

INCORPORATED
MANAGER

NEW YORK CITY, N. Y.

Companies Break Even on Their Canadian Hail Business in 1928

THE companies just broke even in their Canadian hail writing in 1928 with a 100 percent loss ratio. Alberta's ratio was well over 100 percent, although its 1927 figure of 158.73 was reduced to 126.84 percent in 1928. The companies still continued to increase their premium writings in 1928. They wrote \$7,324,114 business, an increase of \$715,577 over the 1927 income. The business in all the three provinces increased. The loss ratio in Saskatchewan came up 20 points from its 1927 figure of 68.78 percent to 88.06 percent in 1928. Manitoba also showed a greater loss ratio, reporting 43.23 percent in 1928 as compared with 36.16 percent in 1927. The premiums and losses of the companies in 1928 in the three provinces in Canada are as follows:

Stock Company Results in Three Canadian Hail Provinces During the Past Four Years

	1928	1927	1926	1925
	Prem. Loss Ratio	Prem. Loss Ratio	Prem. Loss Ratio	Prem. Loss Ratio
Manitoba	\$ 610,643 43	\$ 470,953 36	\$ 467,007 30	\$ 424,572 31
Saskatchewan	3,070,593 88	3,503,495 69	2,703,808 74	2,890,007 33
Alberta	3,042,878 127	2,586,989 159	1,632,180 64	1,703,087 53
Total	\$7,324,114 100	\$6,620,537 101	\$4,803,004 66	\$5,017,770 39

SECURITY SERVICE-SATISFIES

**HAIL
SERVICE
OFFICES
TO HELP
YOU SELL
More
HAIL!**

- KANSAS**
1 The Shaw Gen'l Agency
Gen'l Agents McPherson, Kansas
- OKLAHOMA**
2 Company Branch Office
Enid, Oklahoma
- TEXAS**
3 W. J. Otjen
Gen'l Agent Enid, Oklahoma
- NEBRASKA**
4 John F. Zimmer
Gen'l Agent Lincoln, Nebraska
- MINNESOTA,
NORTH DAKOTA,
SOUTH DAKOTA**
5 J. Pierce Wolfe
Gen'l Agent Moorhead, Minn
- THE WESTERN DEPT.
ROCKFORD, ILLINOIS**

INCORPORATED 1841

Security Insurance Company
OF NEW HAVEN, CONNECTICUT
A STOCK CORPORATION

WESTERN DEPARTMENT - ROCKFORD, ILLINOIS
WALTER D. WILLIAMS, MANAGER

Synopsis of Premiums and Losses as Filed by Members of the Canadian Hail Underwriters' Association in 1928

	Manitoba	Saskatchewan	Alberta
	Prem. Losses	Prem. Losses	Prem. Losses
Acadia Fire	\$ 5,006 3,253	\$ 52,813 39,829	\$ 66,284 74,098
Aetna	4,216 2,526	59,093 52,577	89,209 82,832
Agricultural		12,305 6,650	
Alliance Assur., Eng.	19,685 6,800	107,080 109,704	8,271 12,560
Alliance, Pa.	6,550 3,657	251,092 227,070	31,749 50,512
Bee Hail	16,854 1,084	61,347 42,041	49,259 68,583
British Crown	7,868 1,407	48,944 22,957	72,730 92,038
British Traders	13,592 5,325	61,446 35,923	16,785 19,338
Canadian Fire	4,999 7,011	16,552 12,538	
Canadian Indem.	24,472 2,021	121,043 92,774	132,708 194,442
Canada Security	14,705 4,454	39,937 42,619	13,551 12,579
Car & General	26,749 13,017	30,247 21,094	144,792 167,936
Citizens	4,024 3,838	116,454 93,332	34,300 36,675
Connecticut Fire	31,002 14,947	185,261 193,918	65,742 66,348
Eagle, Star & Br.	17,292 4,458	55,548 58,545	66,532 63,775
Employers' Liability	14,752 14,282	146,447 142,246	270,045 368,546
Equitable F. & M.	7,015 2,282	75,789 55,271	77,875 96,611
Farmers Fire & Hail		28,030 16,648	80,530 101,888
Franklin Fire	7,448 1,233	15,584 6,718	90,401 80,385
General Accident Assur.	9,385 4,250	75,472 81,744	20,573 14,128
General Accid. F. & L.	17,656 6,301	155,934 182,100	21,366 20,295
General Casualty	9,882 1,210	10,910 3,617	8,135 9,781
Glens Falls	54,315 14,874	106,868 75,039	79,112 121,412
Grain Ins. & Guar.	8,077 1,607	19,065 11,651	15,557 13,364
Great American	4,968 2,603	44,874 29,552	38,055 40,778
Hartford Fire	19,906 7,928	233,330 188,779	86,588 99,133
Home, N. Y.	12,888 8,413	169,844 144,545	259,075 441,050
Ins. Co. of North Amer.	7,392 4,651	83,801 96,039	121,356 119,400
London Canada	8,417 4,855	22,547 22,615	195,611 135,262
London Guar. & Acc.	4,953 17,157	56,548 57,432	58,872 72,162
London & Scottish	19,833 13,263	62,817 48,777	12,397 13,717
Maryland		3,911 2,181	28,110 51,083
Merchants, N. Y.		91,509 90,353	35,915 49,664
N. Y. Underwriters	70,098 28,765	107,080 109,704	8,271 12,560
Niagara Fire	1,848 604	32,458 22,965	81,415 100,781
Nova Scotia F. Und.	2,894 563	20,377 10,724	25,156 42,670
Phoenix, Eng.	8,812 4,731	52,166 34,360	16,746 17,723
Phoenix, Conn.	13,859 11,185	165,206 73,394	39,327 49,100
Rochester American		36,043 40,281	98,357 121,411
Royal Exchange	1,412 245	66,513 55,061	31,145 32,126
Scottish Canadian	5,873 900	23,677 23,799	
Security, Conn.		6,386 4,426	6,447 6,646
Sentinel		108,724 88,249	56,115 59,883
Springfield F. & M.	5,381 4,984	43,621 41,499	51,760 69,818
St. Paul F. & M.	123	98,132 76,099	31,381 47,175
Union of Canton	29,983 5,130	42,880 26,321	62,490 95,521
United Assur. Under	15,381 9,934	202,371 214,050	180,454 202,938
Westchester Fire	43,015 14,169	66,583 73,346	65,093 65,471
Western Under	5,752 3,553	19,206 15,446	27,000 30,600
Winnipeg F. Under	3,201 241	16,068 15,986	18,063 22,648
World			74,053 101,286
Total	\$610,643 \$ 264,001	\$3,070,593 \$3,232,599	\$3,042,878 \$3,859,721



On the morning of June 19, 1928, the field in which the photographic original of this illustration was made stood high with wheat soon ready for harvesting. Before evening a hailstorm struck the field and many others and left the crop a ruin. The hailstones beat down the stalks and hammered the heads into the ground.

**IN THESE DAYS OF
COMBINATION AND AMALGAMATION**
a few of the progressive and far-seeing
companies ARE DECENTRALIZING

and placing Home Office Service at your very door as typified by

KANSAS UNDERWRITERS

General and State Agents, Wichita, Kansas

OVER SIX HUNDRED PROGRESSIVE AGENTS INVITE YOU

Division Offices

Great Bend, Kan.

Kansas City, Mo.

Tulsa and Oklahoma City, Okla.



Hail- like a steam roller may flatten your crops

Buy HAIL Insurance!



**FIRST AMERICAN
FIRE INSURANCE COMPANY**
EIGHTY MAIDEN LANE, NEW YORK, N. Y.



ERNEST C. BURTON, Chairman of the Board
PHIL L. HART, President

CASH CAPITAL — ONE MILLION DOLLARS
NEW YORK CHICAGO SAN FRANCISCO DALLAS MONTREAL

Your window

if it displays the three-color window poster reproduced herewith will attract the prospect for Hail Insurance to your office where a First American policy is available to give him the soundest of protection against hailstorm damage.

HAIL OFFICES

MINNEAPOLIS, MINN.....1106 Plymouth Bldg.
GREAT FALLS, MONT.....11 2nd St., No., Box 1515
OMAHA, NEB.....777 Brandeis Theater Bldg.
TOPEKA, KAN.....301 Mulvane Bldg.
OKLAHOMA CITY, OKLA.....420 Mercantile Bldg.
DENVER, COLO.....Gas and Electric Bldg.
CHICAGO, ILL.....Box 771, 844 Rush St.

Have You Missed



the Most Important?

HAVE you sold him everything but Life Insurance? Then why not Life Insurance too?

A Farm's most important and most valuable asset is the Farmer himself. Is it logical to insure everything on the farm but its most precious asset?

You have acted as an insurance counselor to your client — Is there anyone closer to his insurance affairs than you? Are you not the logical one to take care of his Life Insurance requirements—Who knows them better than you?

And then there is the matter of compensation—certainly, adding Life Insurance to your line will add many dollars to your annual income.

The Prairie Life has an attractive agency contract for men desiring to add Life Insurance to their line as well as for men who desire to devote their entire time to Life Insurance—address the Agency Supervisor for particulars.

Operating in
Nebraska
Iowa
Colorado
Missouri
Kansas
Oklahoma
Texas
New Mexico

PRAIRIE LIFE
INSURANCE COMPANY
OMAHA, NEBRASKA



TORNADO premiums for 1928 indicate that many more people insured against the storm hazard in that year than insured in 1927, but the premium increase for 1928 over 1927 is not so great as the increase in 1927 over 1926. The companies fared much better in the matter of the loss ratio in 1928, however, than they fared in 1927.

THE 1928 premium total of the stock companies was \$42,666,678. Losses totaled \$20,177,327. The loss ratio, therefore, was 47.2, which is almost identical with the 1926 loss ratio of 47. But in 1927 the companies received in premiums \$6,130,516 more than they received in 1926, and \$2,310,690 more than they received in 1927. The 1927 loss ratio was boosted to 63, principally by the St. Louis and Poplar Bluff losses, which were heavy on these two major catastrophies of the year.

ALMOST all companies writing the windstorm line shared in the 1928 increase in premiums, and by the same token almost all of them shared in the year's losses. The major disasters last year were suffered in Florida and in Rockford, Ill. The hurricane that swept a part of the Florida east coast and extended some distance inland struck on the same day last September on which the tornado struck Rockford. The Florida storm also struck at the same time of the same month that the 1926 hurricane struck the state. The 1928 storm did its heaviest damage in Palm Beach and West Palm Beach. Had it struck Miami, as did the storm of two years earlier, it is likely that the companies would have taken even greater losses than they took in 1926, first because more high-valued buildings had been erected, and secondly, because more insurance was carried, per capita and to value on individual risks.

LAST year was notable for tornado frequency rather than for great individual losses. The losses were high, but not so high by almost \$5,500,000 as were the 1927 losses. The map printed herewith graphically presents the fact

that not only are all parts of the United States subject to windstorm damage, but that in some years almost every state is struck. The shaded portions of the map indicate the territory swept by destructive storms in 1928.

THIS fact that no state, no city, no farm is immune is gradually becoming in agency circles a motive for more activity in presenting the windstorm insurance story to the public. Companies still insist that much of the windstorm insurance written each year is bought, not sold. They present records to prove that agents in some large, populous and rich territories give little or no attention to the line, despite the devastating logic of events. Eastern agents in particular, the story runs, think of windstorms in terms of the middle west and the west—in terms of tornadoes and the grain belt. Their reasoning, if the process by which they arrive at their opinion about where windstorms may strike may be called reasoning, is faulty.

SOME of the companies have been as lax as many of the agents in handling the windstorm line. Some of them do not advertise the line to their agents or the public. They take what business comes by the painless "buying" process and overlook the rest. This bought cov-

erage originates for the most part in the middle west. A result of this—a dangerous result—is that the windstorm-writing companies collectively do not obtain a sufficient spread of liability. The liability is concentrated in those states that have the worst windstorm records, and the wider fields, as a group richer in real property and comparatively more safe than the middle states, go neglected.

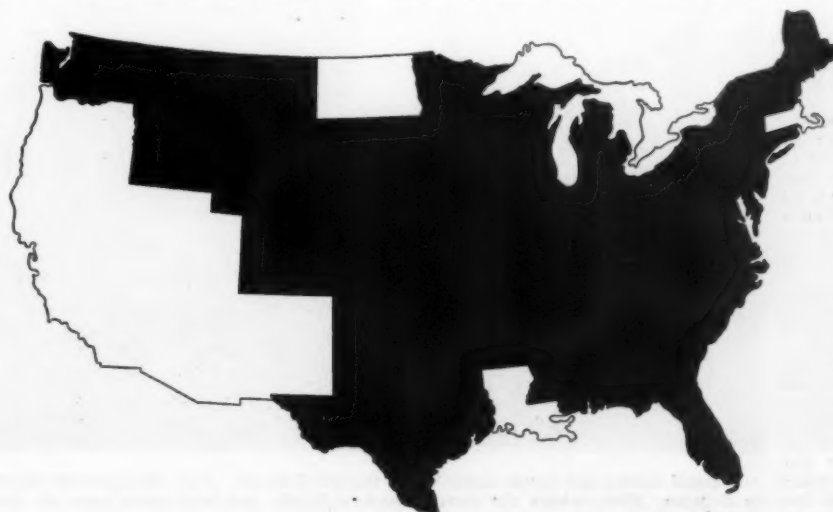
THE situation should be just the reverse of this. The best teacher of the need for windstorm insurance is a windstorm. The middle country has learned its lesson well. A present need of the business is more selling activity in the comparatively safer states. Millions in premiums are available, and there are plenty of agents who would go out for the business if they were sufficiently stirred to it. When more business is written in the less dangerous states, the loss ratio, one year with another, is likely to fall.

AFTER the St. Louis tornado many architects and contractors made suggestions for erecting buildings that will be comparatively more tornado-proof than are thousands of the buildings large and small at present in use.

Among the suggestions that seem easiest to follow is one that residences be anchored more securely to their foundations; one that side-walls in larger buildings be more solidly constructed, principally through the use of more and better anchors for tying brick and stone courses together; one that in large structures especially a system of vents be built in when the structure is erected, that the explosive effect of pent air may be diminished. Undoubtedly these precautions would hamper the action of wind on a building and therefore would lessen the amount of damage likely to be done by a storm. None of them, however, would remove the need for windstorm insurance, for certainly no frame residence will withstand the direct effect of a twisting, grabbing tornado. It is not a certainty that the most solidly erected skyscraper extant would withstand a twister.

MORE, there is no concerted move toward erecting buildings that will be more safe from the wind. The action of fire and water can be studied. A competent mariner with some years of experience in various waters knows most of the things the sea can do to a ship. His knowledge combined with the marine architect's results in a vessel that will withstand all the pounding the sea can give it. Fire engineers know what fire can do, and can build against its ravages. The wind, though, can not be seen and can not be halted for analysis. It rushes down often from a clear sky, strikes, and is gone. All that remains is the result—wreckage.

AGENTS and companies, therefore, need to combine in an effort to write more business and to write it over a wider territory. The amount of premiums collected today is a tiny fraction of the amount that will be written when the selling effort of agents and companies is better organized and applied. Such organized effort is a great present need of the business.



Shaded portion of the map shows states that suffered from windstorms in 1928.

Gives Many Windstorm Selling Ideas

By LEON MCGILTON

Tennessee Special Agent, American of Newark

WINDSTORM protection is increasingly needed by all property owners. Storms are a hazard against which precaution is little protection, and of which no one knows the time, location or limit of the loss.

The wonder, objectively, is to find its course in nature, and the cause of its marvelous growth from a simple protozoon, so to speak, to the raging, devastating tornado. Therefore, it will be our plan to discuss this subject briefly.

The Florida damage was due to a hurricane, which has characteristics distinguishing it from the tornadoes with which the north is more familiar. A hurricane is a storm, circular in motion, covering a width of many miles. A tornado usually has a width of only a few hundred yards. The Florida storm had a diameter of from 60 to 70 miles, the velocity of the wind whirling about its center being estimated at from 125 to 150 miles an hour. In northern tornadoes the velocity of the wind in the whirling center is frequently 500 miles an hour, with a much greater destructive force than the hurricane, and therefore causing a much greater need for insurance protection.

Insurance Coverage Is Specifically Stated

We insure the assured or his legal representatives to the extent of the actual cash value (ascertained with proper deductions for depreciation) of the property at the time of the loss or damage, but not to exceed the amount which it would cost to repair or replace the same with material of like kind and quality within a reasonable time after such loss or damage, without allowance for any increased cost of repair or reconstruction by reason of any ordinance or law regulating construction or repair. This last is a point that is easily overlooked in the adjustment of the loss.

The company shall not be liable for any loss or damage caused by snowstorm, blizzard, frost, or cold weather; nor for the loss or damage occasioned directly or indirectly by or through any fire, explosion, tidal wave, lightning, high water, overflow or cloudburst; nor by theft; nor by the neglect of the assured to use all reasonable means to save the property and preserve it during and after the windstorm, cyclone or tornado.

Trees falling upon dwellings as a direct result of windstorms have been the subject of much discussion as to the company's liability for the removal of the trees themselves, which could be quite an item. This resolves itself into an individual decision for each company, and, as in all theoretical losses, a firm rule cannot be followed.

Agents Should Make Use of Combined Cover

In case of fire occurring subsequent to any loss or damage by windstorm, cyclone or tornado, the company shall be liable under the policy only for such loss or damage as occurred previous to said loss or damage by fire, and for no loss from fire whatever. But at this point "usage of custom" steps in and "bridges the gap" without any cost to the assured, which makes the fire coverage commence immediately where the windstorm left off. It is advisable to buy combined insurance covering the same amount for both the hazards—fire and tornado.

We have a great many hazards that we pay for under the windstorm policy that are not technically covered; for instance, explosion. A pressure of 200 pounds to the square foot is sometimes reached in the center of a tornado. Walls are thrust outward and the buildings collapse because the pressure on the inside is greater than on the outside the moment the storm passes. The air inside the vortex of these revolving storms is rarefied by centrifugal force, but nothing

approaching a vacuum is produced. If a building is enclosed, with doors and windows tight, an explosion occurs; but if they are open, the indoor air escapes through the openings, and, ordinarily, the walls are not subject to severe damage. Of course they may be wrecked by the fury of wind. If the force of a storm traveling at the rate of from 100 to 200 miles an hour were applied to a well-constructed building

killed; 1,500 were injured; 5,000 were deprived of their homes; and property damage entailed about \$50,000,000. In this storm it was a striking coincidence that most of the buildings were of brick construction.

St. Louis suffered in 1896, as the writer vividly remembers, and since that time St. Louis has been well insured. Lessons were learned. First, inferior construction was practiced by specula-



LEON MCGILTON

In the accompanying story he analyzes the precise nature of the coverage afforded by the windstorm policy, gives practical advice on selling windstorm insurance and cautions against writing certain kinds of risks. His knowledge of the line is mature, and his theoretical information is enriched by practical experience as local agent and field man.

Leon McGilton, author of the accompanying story on practical methods of selling windstorm insurance, is state agent in Tennessee for the American of Newark. He is an expert in all the fire company lines, as was his father, who was a local agent. Mr. McGilton also is a business expert. It was he who installed the commercial department in the Joplin, Mo., high school.

Mr. McGilton's first independent insurance experience was gathered in the life field. For some years in his career he traveled Illinois and Missouri for a life insurance company. About 15 years ago he removed to Lexington, Ky., where he entered the service of the Henry Clay Fire. Six years ago he was appointed associate special agent with Lafon Riker for the American in the Kentucky-Tennessee field. In 1927 he was given charge of the Tennessee field. He is president of the Bureau field club in Tennessee and is active in fire prevention work.

gradually the building would, in most cases, withstand the pressure.

There was a time when we had a so-called tornado season, but now there appears to be no "closed season," as old Father Time has upset this. Now we have some of the severest storms outside the former so-called tornado season. It is also apparent that a tornado does not have to be a large one to be destructive, as illustrated in the St. Louis storm. In the comparatively small storm area of six square miles 90 were

tors; and, second, the contents of dwellings were not usually insured for this hazard. It was demonstrated that stone or brick construction withstands little, if any, better than frame.

Cinder blocks have been barred from use in residence construction in St. Louis, partly as a result of the recent tornado which destroyed many homes and apartment buildings with numerous casualties. An ordinance pending at the time of the tornado was summarily killed shortly thereafter, and all efforts



Small towns and large suffer when the wind blows. This damage was done in Duncan, Miss., where the storm struck suddenly and laid low almost all the buildings in the town.

International Newsreel

to revive it have been unsuccessful.

The proposed amendment to the building code permitted a compressive strength of only 750 pounds to the square inch for hollow concrete blocks, whereas the code stipulated a compressive strength of at least 1,800 pounds for brick. The opposition to concrete blocks held that the amendment would weaken, rather than strengthen, the code.

Storm Prevalence Affects Construction

St. Louis fire underwriters class hollow concrete blocks with frame construction and impose a rate on such construction twice as high as on a similar brick building.

Three types of bond are held to be better than the others. Flemish bond, with every other brick in the wall a header; English bond, where every other course is of headers and Chicago bond, with every sixth course of headers. Of the three, the Flemish bond appears to be the strongest.

The best construction to preserve life is the balloon type, which is used in tornado sections. This is a heavy floor, built upon and securely anchored to a solid foundation, and the house proper "toe-nailed" to this secured foundation. The theory is that the top of the dwelling could go, and the foundation would protect the lives of those in the basement, or storm cellar. I think we all agree there is no type of construction that is tornado proof, but as we have fire-resistant buildings, so we may have tornado-resistant construction, and it is to be recommended in all cases.

In the St. Louis storm the church problem was given some light. The Catholic churches' loss was about \$375,000, fully insured; but the Protestant churches' loss was about \$500,000, with insurance less than 50 percent.

Write Policies to Include Hail

Hail: This added feature should also have our consideration. Often we have claims arising from the hail damage when we also may have windstorm damage, but you recall the policy does not cover for hail whether driven by wind or not. It is often quite a task to convince the assured where the windstorm left off and the hail attached. It appears to the writer that the time is ripe for the combined coverage—hail and windstorm—the same as lightning and fire are combined in one coverage.

Wind and hail insurance on greenhouses: Some agents write the combined coverage as follows: A greenhouse valued at, say, \$10,000. We would write windstorm and hail \$2,730 specific on the glass; \$7,270 specific on the structure, excluding the glass.

Assume rate on the glass of \$3, reduced 2 percent for coinsurance, or \$2.94 net. The rate on the structure is 45 cents, reduced 55 percent for 90 percent coinsurance, making a net rate of 20 1/4 cents. The premium on the glass above would be \$80.26 and the structure \$15.09, or a total premium of \$95.35 for \$10,000 insurance. If the straight windstorm policy were written at \$2, the premium would be \$200, but by writing it specific on the glass and the structure the premium is \$95.35—thereby saving the assured \$104.65.

Lenders of Money Are Good Prospects

Blanket policies: A blanket windstorm policy may be written for banks and trust companies for an amount equal to 25 percent of the mortgage loans. The rate is one-half the usual rate. In the east, the rate being 8 cents, the blanket would be 4 cents, and in other sections the rate is 16 cents, which means a rate of 8 cents. Losses are not adjusted on

(CONTINUED ON LAST PAGE)

High Tornado Frequency Marks 1928

Government Bureau Records 188 "Twisters" and More Than 100 Other Severe Storms—Losses Below Those of Preceding Year

TORNADO frequency attained a new high level in 1928. The United States Weather Bureau records 188 genuine "twisters" for the year, and the number has been given out as only a preliminary figure. The records are not yet complete. When they are, the total of tornadoes may be even higher. It will not be lower.

Besides the tornadoes, and excluding the Florida hurricane, windstorms of less than tornado violence caused property damage well into the millions. The Florida hurricane alone caused property loss estimated at between \$50,000,000 and \$65,000,000. The Rockford, Ill., tornado of last September, which occurred on the same day that the hurricane struck Florida, caused \$1,500,000 damage.

1929 Season Begins Early

This year the tornado season opened early, with a two-state storm that devastated large rural areas in Minnesota and Wisconsin. Iowa and Nebraska were struck by less violent storms on the same day. The major storm broke within the city limits of Minneapolis and moved along into north central Wisconsin. It ripped the roofs off houses, barns and smaller buildings, blew many down, broke windows, uprooted and snapped off trees, laid telephone poles to the ground and in its total effect caused property damage that will exceed \$500,000.

A short time later in April a storm struck in Arkansas, also in a rural district, and caused property damage that will gross more than \$200,000. The first heavy blow struck in a city. Then another storm came along to prove that tornado insurance should be sold in all cities in all parts of the country. This was a briefly-blowing and comparatively mild mannered twister that hit a small area in Chicago's south side. It covered less than three blocks and lasted but a few minutes, yet when it had disappeared, \$50,000 of wrecked values were strewn in the path it had taken.

Although 1927 was the ace year of recorded windstorm history for property damage, 1928 suffered a long series of violent storms that culminated in the Florida and Rockford, Ill., blows. The

storms of less than tornado violence caused almost as great loss as the true tornadoes caused. If the Gulf coast and south Atlantic hurricane losses were added the other-than-tornado losses would far exceed the tornado losses. Wind caused damage in all parts of the United States and at all seasons of the year from March to December.

In recent years the insurance business has had ample proof that windstorm insurance is needed in cities even more

ties of city size. Government statistics show that from 1916 to 1923 the states hardest hit were Arkansas, Iowa, Kansas, Missouri, Mississippi, Oklahoma and Texas, with Kansas leading. This state suffered 69 tornadoes in the seven-year period, but the losses are estimated at only \$3,622,000. Illinois, which suffered only 24 tornadoes in the same period, lost property valued at \$7,536,000, and Indiana's 20 tornadoes in the same years destroyed property valued at \$5,-

with 42 twisters. Kansas suffered 26 tornadoes and Nebraska was struck 12 times. But the largest values per square mile of area were destroyed in Rockford. The Florida blow, which was a hurricane, is excluded from the tornado record. It was the Florida storm, however, that caused the heaviest property loss of the year.

Straight-line blows are at last being recognized as windstorms that can cause as much damage as tornadoes cause, depending on where and what they strike. In 1928 New York State, which has few tornadoes, suffered \$1,000,000 property loss from one straight-line storm. Texas and Iowa—states in which even the young inhabitants know the difference between a tornado and any other kind of storm—also each lost more than \$1,000,000 in property values in straight winds.

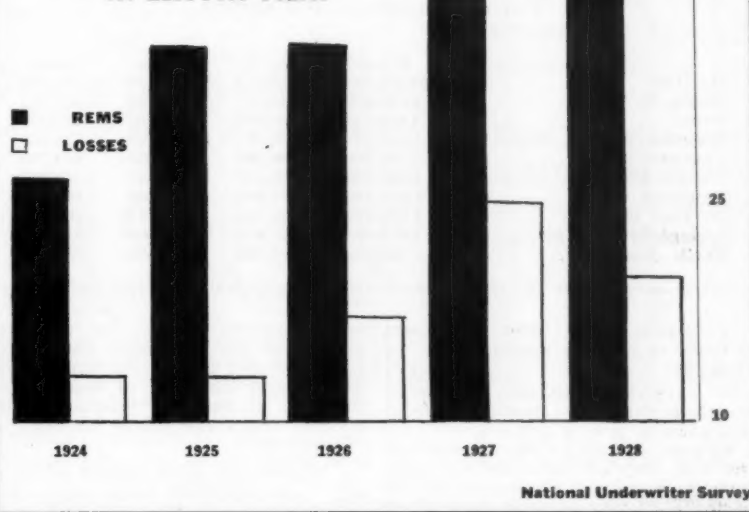
Florida Hard Hit in Last 10 Years

Records show that Florida has suffered the greatest loss of property among the states in the last 10 years, including 1928, and that Missouri, Illinois and Indiana, in that order, are the next heaviest sufferers. If Florida, with the 1926 and 1928 hurricanes, were counted out, the heaviest property loss would be checked against Missouri, which suffered tremendously in the St. Louis tornado of 1927.

The frequency of storms in 1928, together with the large area over which they swept, stresses again the facts that no section of the country is immune, that much greater amounts of windstorm insurance should be sold in cities than is carried today, that disastrous storms may strike in almost all parts of the country in any month in the year and that insurance is the only protection against total losses by windstorms.

Down in Tennessee there is an agent named Howell A. Bransford who seldom issues a "fire only" policy on risks other than mercantile risks. He issues combined fire and windstorm policies to clients who ask for fire only policies. And in most cases he delivers the combined policies. Try it and learn how it works for you.

Stock Companies' Tornado and Windstorm Premiums and Losses for Last Five Years.



than it is needed in the agricultural regions. City dwellers are learning that they should have windstorm insurance, as is proved by the increasing amount of insurance losses as more cities are struck.

It is a fortunate accident for the nation and the insurance companies that serve the nation that the greatest number of tornadoes strikes the states that have small numbers of urban communi-

ties. No better argument for windstorm insurance in high value areas is available.

Many States Suffer in 1928

The principal tornado damage of 1928, exclusive of the Rockford, Ill., storm, was inflicted on a large number of States. Iowa was the heaviest sufferer in point of tornado frequency,



What was left of Factory B of the Rockford Chair & Furniture Co., after the tornado struck Rockford, Ill., last Sept. 14. The tornado destroyed \$1,500,000 of values in Rockford and surrounding territory.

International Newsreel



Wreck of the Elco Tool Co. plant, Rockford, Ill., after the tornado of September, 1928. The factory was a substantial building, but it could not resist the twisting, ripping effect of the storm.

P. & A. Photo

Gives Windstorm Selling Suggestions

RAYMOND C. DREHER, editor of "Accelerator," the house organ of the Boston and Old Colony, makes some interesting suggestions for carrying on a windstorm insurance campaign. Mr. Dreher has studied the methods used by local agents and has given some advice that is more or less of a composite form developed after study of the plans that have been successfully followed by many producers. He declares that in the early part of the year there is not a locality that has not felt the wind's fury. There is no part of the country immune. No one can tell where a storm is going to strike. A section may not have had a windstorm for years. Even the oldest living inhabitant may not remember that any particular damage was done by a tornado. Then one comes along and property and life are destroyed.

Mr. Dreher feels that a campaign should be planned and the emergency should be prepared for. He believes that agents should use direct-by-mail and newspaper advertising and eye-arresting window displays. Further Mr. Dreher says:

Policyholders Are Best Windstorm Prospects

"First, prepare your mailing list for your direct-by-mail. Don't overlook your policyholders. They are by far your best prospects. They know how you conduct your business; they have confidence in you. You may already have spoken to them many times, without success, of the need of windstorm insurance; and the chances are the mailing you are going to send out will be successful.

"In addition, add the names of home owners and business concerns which you secure from the city directory, telephone book, and your chamber of commerce or board of trade. If you have not already put on cards the names of those on your mailing list, do it now, as it will help you in your follow-up.

"Now, you need two letters—one to go to the home owners and the other to business concerns. For the latter, do not address the letters to the concerns, but address them to the officials who you know have charge of placing the insurance.

"Enclosed in the letter which you are going to mail to the home owners should be a windstorm folder. Here's the letter that is to go out the minute you hear of a windstorm big enough to get the front page of your local paper, no matter where the storm occurred:

"Dear Mr. _____:

"Suppose that storm hit (name of your town) instead!

"Weather experts say that they can tell when a heavy windstorm is due, but that it is absolutely impossible to tell

where it will strike. Past experience has shown that there is no section of the United States that has not been visited by heavy winds that destroy property. You can prevent fires and accidents by using care, but no amount of precaution has any effect on racing winds.

"Your only protection against financial loss is windstorm insurance. The cost is so small that even though you never have a loss, it is money well spent for peace of mind.

"After you read the enclosed folder, won't you mail the card, which is part of it, to us? You'll be under no obligation.

"Sincerely,

"P. S. It's too late to order windstorm insurance when you see a windstorm coming."

hold them. You want them ready to be rushed to the post office without delay at the first news of a destructive windstorm. Every minute saved is valuable.

Newspaper Advertising Should Be Timely

"The next job is to prepare the newspaper advertisement that is to be released with the first news of the storm and which is to appear, if possible, on the same page with the account of the storm. The advertisement should be at least three columns wide and from six to eight inches deep—big enough to catch the eye. Here are two suggested advertisements, one of which is to be used if a photograph of the wreckage left by the storm is available. Don't delay running the newspaper advertise-

ment, however, to wait for a photograph. If the newspaper has photographs, it will gladly lend you one. It is suggested that both of these advertisements be set up by your newspaper now, so that there will be no delay at release time.

"Your Name Insurance Agency
"Your Street Telephone Number"
"After you have prepared your direct-by-mail and your newspaper advertising, get to work on your window display. One of our local agents who has quite a reputation for the volume of windstorm insurance he writes uses a display like this:

"In the center of a large bulletin board, which he paints black, he pastes clippings of accounts of windstorms in the various sections of the country. At the top of the board, in large white letters, he paints 'We may be next. It's too late to order windstorm insurance when you see a windstorm coming.' On each side of the board he groups photographs of windstorm losses which he borrows from his local newspaper. On the floor of the window, directly in front of the bulletin board, he places a large map of the United States, showing in red the states visited by destructive windstorms the previous year. This window has created such a sensation and has been responsible for so much new business that he plans to use it again this year.

"With your window display in place, your letters waiting to be mailed, and your newspaper advertisement ready for release, all you need for starting this campaign on its premium-increasing way is a front-page windstorm. And, if records of previous years prove anything, it won't be long now."

Tornado Insurance Leaders

	1928		1927	
	Premiums	Losses	Premiums	Losses
Hartford	\$2,871,065	\$1,363,211	\$2,723,469	\$1,234,295
Home, N. Y.	2,548,608	1,324,521	2,427,354	1,307,261
Aetna	1,830,334	1,354,990	1,780,791	712,570
National, Conn.	1,396,897	682,051	1,417,523	783,848
Continental	1,391,300	538,692	1,302,325	864,929
Fidelity-Phenix	1,295,989	289,557	1,308,427	1,145,576
American, N. J.	1,222,348	595,356	1,204,442	763,862
St. Paul F. & M.	1,021,994	457,134	919,753	295,397
Springfield F. & M.	1,002,425	397,824	1,000,063	615,843
North America	951,568	478,228	886,330	589,387

"Following is the letter to be sent to heads of business concerns:

"Dear Sir:

"It is lucky for us that the terrific windstorm didn't pass through (name of your town).

"Perhaps, though, it was a warning. Our turn may be next. No section is immune. You know windstorms are peculiar. They may serenely pass us by only to come back and shatter us three times in as many days.

"Windstorm insurance is not only a good investment for any business, it is a necessity. Many going concerns that suffered financial loss by that destructive storm now know this to their sorrow.

"You'd like to know more about windstorm insurance, so why not have one of our experts call and explain the features of the policy and tell you the surprisingly low cost? Our telephone number is _____.

"Sincerely,

"After you have written letters for the entire mailing list, put them in the addressed envelopes, stamp them, and

ment, however, to wait for a photograph. If the newspaper has photographs, it will gladly lend you one. It is suggested that both of these advertisements be set up by your newspaper now, so that there will be no delay at release time.

SUPPOSE THE NEXT BIG STORM HITS

(Name of Your Town)

"Will you be able to view the wreckage with peace of mind? You will if you tell us to put a windstorm insurance policy in force for you today. No property owner can afford to be without this low-cost protection.

"Your Name Insurance Agency
"Your Street Telephone Number"
"THIS MIGHT HAVE BEEN (Town)

(Large cut of wreckage)

"No section of the country is immune from destructive windstorms. You should take warning from this catastrophe. You can't prevent them, but you can protect yourself against financial loss by securing dependable windstorm insurance now. Don't let the

Yet Another "Biggest" Hailstone Recorded

A ball of ice 17 inches in circumference and weighing 1½ pounds is a considerable hailstone. According to the "Monthly Weather Review," organ of the United States Weather Bureau, a citizen of Potter, Neb., testifies that on July 6, 1928, at least one hailstone of the 17-inch variety fell in that town. The description of the storm was written for the "Weather Review" by Thomas A. Blair of the Weather Bureau office in Lincoln, Neb. The story says that great hailstones thumped the ground at distances of from 10 to 15 feet apart. The hailstorm did not last long, was confined to a small area, and did little damage.

Large hailstones formed by the synthesizing of two or more smaller stones falling from the sky are frequently seen. The large Potter, Neb., stone, however, was a single stone built up around a nucleus. It was composed of concentric layers of ice and snow like the layers of an onion.



Another Rockford, Ill., loss. This building housed the Rockford Cabinet Company. The damaged automobiles in the illustration also tell a story: Write windstorm on automobiles.

International Newsreel



"And she blew, blew, blew"—and she did much damage. This twister snaked down from a black cloud and struck just as the photograph was taken. The United States Weather Bureau records 188 such twisters for 1928.

Wide World Photo

Talk Windstorm Insurance on Automobiles; You Will Sell It

This year more automobiles will be damaged and destroyed by windstorms than were damaged and destroyed last year. More also will be damaged by hail than were damaged last year. Why? Simply because more cars will be in use this year than last, and more of them therefore will be parked individually and in groups on streets, fair grounds, near athletic fields, at air fields, at horse and automobile race courses and elsewhere—in fact wherever people congregate for business or amusement. The storms will arrive in season.

In almost every tornado reported last year, automobiles were damaged or completely destroyed. And all through the year they suffered damage from hail. When hailstones fall from a height varying from a few hundred feet to more than a thousand, they do not have to be very large to pierce the top of a car. Hail driven in a slant by wind will cut the siding off houses and the limbs from trees, and of course will riddle the thin metal body of a car.

There are on record thousands of cases of windstorm damage to automobiles—direct and indirect damage. At the bottom of this page is an illustration of direct windstorm damage. The car was picked up by the wind and was twisted and overturned. The picture

tells the story. Other pictures in this issue show what wind will do to cars. None of the pictures is unusual. Each could be duplicated hundreds of times. But each tells a story for the local agent.

Many automobile insurance prospects will react slowly to the automobile-windstorm insurance story. But many men still react slowly to the life insurance story. Local agents of fire and casualty companies can afford to be no less tenacious than is the life insurance salesman. Any local agent who properly presents the arguments for windstorm and hail insurance on automobiles will write some of this business.

The agents who live in territories having frequent high wind visitations never should leave an automobile insurance prospect without affording him an opportunity to buy windstorm hail insurance for his car or cars. Give him word pictures, and if you use a scrap book in your selling, show him photographs. Then if he doesn't buy, leave him for a time, and after the next windstorm go back and recall for him the instances of hail and wind damage to automobiles he himself has encountered. Persistence—intelligent persistence—will win for the agent and will ease the mind of the assured.

Big Business Men Are Good Prospects for Brokers, Agents

MANY brokers throughout the country control lines of business for big business men, capitalists and industrialists, but do not write their windstorm insurance, especially on buildings located in the loop districts of big cities. One of the reasons is that some brokers believe there are unusual difficulties in selling windstorm coverage, believing that a specialist is needed, and another reason is that the brokers themselves look at the skyscrapers of our cities and decide that since windstorms would not affect such structures it would be foolish to try to sell the windstorm cover to their owners.

Both of these attitudes are wrong, and a moment's thought on the matter will make it plain how wrong they are. First, any agent or broker can sell windstorm insurance. Rural agents sell millions of dollars of the cover annually.

Second, we have no proof that any particular kind of building is safe from windstorms, nor that any part of the country is immune. The 1927 tornado in St. Louis demolished substantial buildings of concrete and steel construction, and did not destroy larger and better constructed buildings only because they were not in its path. The same happened in Poplar Bluff, Mo., in Indianapolis, in Lorain, O., and in dozens of other cities.

"Full Coverage" Should Include Windstorm

Therefore the broker who controls large lines of business for men of large affairs and fails to write windstorm cover on all the buildings—including town and country homes—in these men's ownership is failing to give his assureds

(CONTINUED ON LAST PAGE)



Up she went, down she came, and she was a wreck. Do any of your prospects still pooh-pooh the idea of carrying windstorm insurance on their automobiles? Cut out this illustration and add it to your scrap book collection. It should prove convincing.

P. & A. Photo

Unconquerable!

Tornadoes Are Unconquerable!

No one can definitely ascertain when or where the next will strike. It may be on your client's property! Again it may leave this property unscathed, but ruin his neighbors.

It is impossible to know the place that will next be hit or the time it will be ruined. One whip of the wind will do an incalculable amount of damage and will leave debris strewn for miles.

Even though tornadoes are unconquerable it is reassuring to know that any loss which may occur is amply covered by a tornado policy in a Crum & Forster company.

CRUM & FORSTER COMPANIES:

United States Fire Insurance Co., New York
North River Insurance Co., New York
Western Assurance Co., Toronto
British America Assurance Co., Toronto
Richmond Insurance Co., New York
Allemania Fire Insurance Co., Pittsburgh
Union Fire Insurance Co., Buffalo
Buckeye National Fire Insurance Co., Toledo
Metropolitan Fire Insurance Co., Chicago
New York State Fire Insurance Co., Albany
U. S. Merchants and Shippers Insurance Co., New York
City Insurance Company of Pennsylvania

Western Department

FRED M. GUND, Mgr.
FREEPORT, ILLINOIS

Tornado Loss Ratio 16 Percent Lower

THE stock companies wrote \$42,666,678 in tornado, cyclone and windstorm premiums last year. A very gratifying reduction was made in the loss ratio in 1928, the ratio for that year being 47.2 percent as compared with 63 percent in 1927. The gain in premiums in 1928 was a little more than \$2,000,000 over the 1927 figures. The gain in 1927

over the 1926 volume was \$4,000,000. The losses for 1928 were \$20,177,327 while the losses the previous year amounted to \$25,449,677.

The Hartford again led tornado premiums with the Home of New York a close second. The Hartford increased its premiums by \$150,000, the 1928 total being 2,871,065. The Home of New

York wrote \$2,548,608 in 1928. The North America is the only new face among the list of 10 leaders in 1928. The St. Paul Fire & Marine came up from 10th place in 1927 to eighth place in 1928.

The mutuals showed about \$200,000 gain in premiums in their windstorm and tornado business. They wrote below:

\$4,940,070 in 1928 as compared with \$4,757,770 in 1927. The loss ratio was a little lower in 1928, being 51.9 percent as compared with 55.5 percent in 1927. The losses for last year amounted to \$2,567,598. The figures of the stock companies for the last two years in comparative form are given in the table

TORNADO, CYCLONE AND WINDSTORM PREMIUMS AND LOSSES OF STOCK COMPANIES

	1928				1927				1926				1928				1927				1926											
	Prem.	Losses	Ratio		Prem.	Losses	Ratio		Prem.	Losses	Ratio		Prem.	Losses	Ratio		Prem.	Losses	Ratio		Prem.	Losses	Ratio		Prem.	Losses	Ratio		Prem.	Losses	Ratio	
Aetna	\$ 1,830,334	\$ 1,354,990	74		\$ 1,780,791	\$ 712,570	40	.77																								
Agricultural	270,750	150,171	55.46		261,861	112,603	43	.45																								
Albany	18,826	8,299	44		15,976	6,094	38	.31																								
Allemania	88,854	31,971	35.9		91,378	47,120	52	.76																								
Alliance, Pa.	191,061	73,904	38.7		170,800	84,131	49	.69																								
American F. & M.	13,413	3,298	25		8,739	651	7	.07																								
American, N. J.	1,222,348	595,356	48.7		1,204,442	763,862	63	.25																								
American & Foreign	2,456	443	18		1,652	36	.02																									
American Alliance	34,280	30,012	88		44,821	19,057	43	.95																								
American Central	187,888	151,229	80.49		225,304	317,577	143																									
Associated Reins.	2,190	65,888	30		173,650	57,306	33	.59																								
American Eagle	166,823	24,057	14		49,653	45,124	91	1.61																								
American Equitable	81,176	1,215	1		1,556	21	.01																									
American Founders	5,643	153	2.33		2,896	54	.02																									
Amer. Gen., Tex.	3,145	1,167	37		5,788	1,322	23																									
Anchor, R. I.	4,029	1,259	31		20,710	1,228	6	.14																								
American Mer. Mar.	21,029	42,532	202		67,737	81,504	120																									
American National	90,526	13,231	15		11,232	6,569	58	.18																								
American Reserve	13,231	4,833	36		6,654	1,012	15																									
American Union	1,510	87,729	58		172,209	237,449	138																									
Atlantic, Fla.	1,510	1,012	66.6		—	—	—	—																								
Atlantic Fire, N. C.	180,991	73,911	41.18		172,209	237,449	138																									
Atlas	167,306	16,043	9.6		32,046	36,132	112																									
Automobile	60,631	40,145	66.1		45,059	13,177	29	.68																								
Baltica	87,069	27,428	31.5		22,323	3,217	14	.34																								
Baltimore American	27,428	33,459	122		106,264	100,094	94	1.26																								
Bankers & Merchants	108,036	74	0.07		—	—	—	—																								
Bankers & Shippers	74	774	10.47		10,097	224,594	2245																									
Baltimore Natl.	15,398	139,815	908		233,334	224,594	96																									
Birmingham, Ala.	246,080	33,462	13.6		86,273	1,240	1.4	.80																								
Boston	92,077	26,838	29.1		61,538	27,513	45																									
British American	26,838	28,414	106		—	—	—	—																								
British General	28,414	24,465	86		48,332	232,290	481																									
Bronx	61,368	22,865	37.3		—	—	—	—																								
Brooklyn	22,865	—	—		48,332	232,290	481																									
Buffalo	4,010	1,913	48		77,424	40,811	53	.30																								
Birmingham, Pa.	64,815	20,939	32.3		77,424	40,811	53	.30																								
Caledonian	5,471	—	—		10,596	13,268	125																									
Caledonian American	40,126	21,559	53		83,862	35,972	43	.13																								
California	262,498	143,788	54.78		353,287	190,626	54	.38																								
Camden	42,192	14,474	34		22,445	12,806	57	.19																								
Carolina	28,445	18,706	65		22,187	6,573	30	.29																								
Central, Md.	19,132	4,071	21		17,269	13,460	78	1.12																								
Century, N. Y.	100,933	36,508	36.17		99,749	40,188	40	.28																								
Chicago, F. & M.	76,754	77,556	101		129,510	48,290	37	.13																								
Christiana General	136,492	55,862	41		116,883	107,745	92	1.70																								
City of New York	37,895	20,560	54.25		38,194	24,649	64	.46																								
Citizens, Mo.	36,445	8,792	24		38,586	28,329	73	.33																								
Columbia, N. J.	24,738	7,583	30.65		19,068	26,666	139																									
Columbia, Ohio	59,176	11,832	19.9		65,110	53,294	82	.13																								
Columbian, National	6,034	2,133	35.3		3,685	310	8	.08																								
Columbus, Miss.	52,357	37,028	70		46,592	14,357	31	.16																								
Commerce, N. Y.	18,927	1,445	8		8,067	937	12	.13																								
Com. Standard, Tex.	268,387	116,335	43.3		212,361	265,054	33																									
Commercial Union, Eng.	53,677	43,522	81		53,734	54,713	102																									
Com. Union, N. Y.	141,580	39,906	28		151,613	45,296	30	.49																								
Commonwealth, N. Y.	96,814	43,522	45		—	—	—	—																								
Concordia	414,344	197,577	47.68		446,026	275,462	62	.48																								
Connecticut	98	297	303		46	58	—	—																								
Consolidated	1,391,300	538,692	39		1,302,325	864,929	66	.39																								
Continental	2,134	3,713	17373																													

	1928			1927			1926				1928			1927			1926		
	Premia.	Losses	Loss Ratio	Premia.	Losses	Loss Ratio	Premia.	Losses	Loss Ratio		Premia.	Losses	Loss Ratio	Premia.	Losses	Loss Ratio	Premia.	Losses	Loss Ratio
Pennsylvania	328,628	103,934	32.	267,985	200,101	75.	26			South Carolina	14,353	8,953	62.	5,396	2,387	42.	50		
Peoples, Md.	2,047	1,807	88.3	1,229	3	.2				Southern, N. Car.	9,090	4,129	41.	3,879	483	12.			
Peoples National	66,819	30,699	45.9	40,481	9,054	22.	79			Southern Home	38,214	31,142	81.	30,728	21,474	70.	1.02		
Phoenix, England	184,612	90,371	49.	172,503	131,424	76.				Springfield F. & M.	1,002,423	397,824	40.	1,000,063	615,843	62.	16		
Philadelphia F. & M.	202,702	113,065	55.8	180,466	124,504	69.	20			St. Paul F. & M.	1,021,994	457,134	45.	919,753	295,397	32.	19		
Philadelphia National	7,636	31	.4							Standard, Conn.	43,122	18,907	43.2	52,309	46,616	89.	57		
Phoenix, Conn.	686,628	327,414	47.68	739,129	456,580	62.	48			Standard, N. J.	66,359	12,849	19.	48,870	23,852	49.	91		
Pilot, N. C.	10,971	1,513	15.	9,792	676	6.7	68			Standard, N. Y.	24,419	16,939	69.6	30,371	4,920	16.	41		
Pilot Reins., N. Y.	92,711	23,281	25.1	93,432	50,584	54.7	77			Standard Federal	16,592	5,054	30.						
Pioneer, Ill.	6,909	388	5.6							Star, N. Y.	117,515	78,220	66.58	128,580	64,842	52.	97		
Potomac	67,111	24,200	36.06	53,528	30,516	57.	22			State, England	46,046	47,009	102.1	48,361	27,629	57.	94		
Preferred Risk	41,567	18,954	45.6	40,167	14,591	36.	65			Stuyvesant	65,816	28,375	58.31	32,781	30,872	94.	89		
Presidential F. & M.	37,524	26,829	71.5	37,801	9,050	24.	68			Sun	157,058	65,338	42.	147,850	110,967	75.	21		
Providence Wash.	182,006	94,249	51.78	192,920	129,364	67.	42			Superior	96,814	48,523	45.	86,580	62,692	73.	1.02		
Prudential Re. & Co.	180,346	10,902	6.0	166,773	53,549	32.	87			Sussex	3,296								
Provident	8,901	4,322	54.	5,882	2,156	37.	3.28			Swiss Reinsurance	168,984	86,818	51.	182,482	139,319	76.	58		
Prudential, England	75,535	26,504	35.49	34,447	14,846	43.	1.37			Sylvania	28,735	6,415	22.	23	4	17.			
Prudential, Okla.	3,213									Tokio M. & F.	47,061	60,231	12.8	63,081	40,566	64.	1.29		
Public, N. J.	74,137	5,023	7.							Transcontinental, N. Y.	29,686	6,459	21.8	22,604	2,440	11.	98		
Queen	327,846	142,195	43.	326,089	289,567	89.	19			Transportation, N. Y.	1,595	4							
Queen City	43,915	7,057	16.	39,626	11,956	30.	22			Transportation Reins.	1,596	4							
Reinsurance Salamandra	104,995	90,767	86.5	94,205	58,737	62.	1.11			Travelers Fire	325,639	136,318	41.86	340,640	6,468	1.9	50		
Reliance, Ohio	5,590	2,293	40.97	5,590	2,293	40.	68			Trinity Fire	44,329	7,271	16.	33,363	2,094	6.			
Reliance, Pa.	42,622	19,846	47.	37,185	26,574	71.	52			Twin City	38,923	29,526	76.	33,929	27,931	82.	12		
Reins. Corp. of Amer.	104,995	90,766	86.44	2,324						Union, England	67,158	36,147	53.82	96,273	62,891	66.	30		
Republic, Pa.	14,839	10,695	72.	13,239	15,943	119.	91			Union & Phoenix Espanol	27,977	20,327	73.	16,015	20,518				
Republic, Tex.	124,934	35,090	28.	110,970	71,130	64.	35			Union, Ind.	8,534	1,705	20.	6,573	3,920	59.	8.55		
Retalliers, Okla.	28,455	5,696	20.				3.61			United American	13,906	2,652	19.	13,388	3,920	29.	34		
Richmond, N. Y.	31,652	27,398	86.	66,089	9,575	17.	88			United Firemen's	50,927	24,130	47.	28,062	41,677		1.28		
Rhode Island	102,477	7,362	7.01	102,736	122,737	119.	40			United States Fire	758,033	454,351	59.83	771,291	275,748	36.	38		
Rochester American	1,731	1,140	66.							U. S. Merchants & Ship.	73,481	56,240	76.54	96,823	50,048	52.	8		
Rocky Mountain	6,508	1,208	18.57	2,548	793	31.	32			Universal, N. J.	24,290	233	1.						
Roma	226,246	157,054	69.4	282,707	354,928	125.	1.01			Universal, N. J.	24,290	233	9.						
Royal	371,186	243,083	65.5	556,326	386,507	69.	82			Utility	9,906	448	4.5	6,300	105	1.6			
Royal Exchange	105,274	29,824	28.	105,037	75,411	72.	38			Urbaine	183,546	93,058	50.	116,218	85,994	74.	1.46		
Safeguard	1,177	10	.8	49,665	31,650	64.	59			Utah Home	7,604	4,921	64.85	6,869	3,107	45.	68		
Safety First, Ill.	10,506	7,851	74.73	1,121	15	1.				Victory	42,622	19,846	47.	37,185	26,574	71.	37		
Savannah	174,231	47,499	27.26	7,128	9,975	139.	72			Virginia F. & M.	37,678	19,237	51.05	35,675	4,890	14.	59		
Scottish Union & Natl.	3,211	655	20.4	164,521	59,187	54.	28			Westchester	434,333	150,833	34.	358,974	249,632	69.	55		
Seaboard, Md.	396,291	197,944	50.	3,152	62					Western, Kans.	9,800	162	1.66	1,802					
Security, Conn.	108,306	16,565	15.2	346,269	569,173	164.	36			Western, Can.	116,611	55,143	47.	107,028	95,823	89.	49		
Security, Iowa	12,795	1,718	13.	83,825	13,988	17.	10			Western National, Tex.	2,540	24							
Sentinel, Mass.	31,902	12,850	40.3	10,186	3					Wheeling	7,821	3,613	46.	8,561	2,373	27.	66		
Security National	30,442	10,561	34.04	20,062	3,085	15.				World F. & M.	81,911	53,212	65.	78,850	18,186	23.	1.32		
Skandia	26,901	12,090	45.	30,043	30,300	100.				Yorkshire	78,023	49,633	64.	108,296	69,532	67.	63		
Skandinavia				8,754	4,678	53.	92			Total	\$42,066,678	\$20,177,327	47.2	\$40,355,690	\$25,449,677	63.			

TORNADO, WINDSTORM AND CYCLONE EXPERIENCE OF MUTUALS IN 1928

	Premia.	Losses	Loss Ratio		Premia.	Losses	Loss Ratio		Premia.	Losses	Loss Ratio		Premia.	Losses	Loss Ratio		Premia.	Losses	Loss Ratio
Abing'n M., Mass.	205	342	166		Indust. M., Mass.	348	980	281.6		Mut. Ins. Cor., Ill.	1,257	433	34.4		State Mut., R. I.	3,028	12,101	399.6	
All. Coop., Kans.	40,125	10,484	26		Iowa Mut.	100,761	53,756	53.3		Narragansett M.,					Tenn. Farm. M.	8,018	598	7.4	
Am. Ex. U. N. Y.	5,519				Iowa Imp. Mut.	7,391	3,967	53.6		R. I.	195	1,436	732.3		Tex. Hdwe. Mut.	4,133	387	9.4	
Amer. Mut., Ind.	25,217	10,901	43.2		Is. M. Dorn. As.	846,097	625,153	73.8		Nat. Impl. Mut.					Tex. Nat. Mut.	6,630	2,962	44.6	
Amer. Mut., R. I.	1,514	6,050	399.6		Iowa State	61,414	96,074	156.4		Minn.	47,880	14,748	30.8		Town Mut. Dwell.				
Atlantic M., Ga.	334	16	4.7		Kan. Farm. Mut.	35,972	12,890	36.7		Nat. Jewel Mut.					House, Ia.	162,241	19,612	12.1	
Austin M., Minn.	62,913	42,890	67.8		Keynote M., Pa.		2,958	15.5		Wis.	1,939				Traders Mut. Ill.	806	138	15.3	
Badger M., Minn.	1,604	26	1.6		LaCrosse M., Wis.	176				Nat. M. Ch. Ill.	17,175	909			Tri-State Mut. Gr.				
Berkus M., Mass.	2,509	481	19.2		Lloyds Amer. Tex.		578			Nat. M. Ins. O.	97	4,345	25.3		Dira., Minn.	11,640	386	3.3	
Biscuit M., R. I.	2,583	8,772	368.1		Lumbermen's M. O.	58,539	10,471	17.8		Nat. Ret. M., Ill.	1,237				Union F., Mass.	3	457	24.0	
Bos. M. M., Mass.		15,400			Lumber M., Mass.	25,466	1,664	6.53		Nat. Und. M., Md.	1,220	465	38.1		Union Fire, Neb.	140,584	47,268	3.1	
Cambr. M., Mass.	673				Lynn Mf. & Mer.					Nebraska Mut.	17,557	8,089	46		Union Mut., R. I.	429			
Capital (M.), Neb	11,568	3,028	26.1		Mass.	231				N. Y. Cent. Mut.	1,744	4	.0025		United M., Mass.	15,142	3,092	19.8	
Cent. Mfr. M., O.	75,903	34,533	45.4		Lynn M. T., Wis.	40,933	26,119	63.8		N. M. Mut., Wash.	154,147	54,257	35.2		United Ret. Merc.				
Chicago Lloyds...	12,545	273	2.1		Mansfield M., O.	677	22	3.2		Ohio Hdw. Mut.	10,605	4,949	38.1		West Mill., Mo.	17,558	2,972	16.9	
Citis. F. M., Minn.	18,264	6,546	35.84		Menton Mut., Pa.		2,331			Ohio Millers Mut.	11,329	930	.0082		West Gr. Dira. M.				
Citizens M. Wis.	5,457	1,107	20		Mfra. Mut., R. I.	2,324	10,084	399.5		Ohio Tor.					Ia.	16,080	1,320	7.6	
C & W. M., Mass.	625	3,238	518		Mech. Mut., R. I.	1,514	6,050	399.6		Cyc. & Wind...	134,656	95,385	25		Wis. Tornado M.	82,122	59,623	72.6	
Drug. Mut., Ia.	13,029	1,115	8		Men. Mut., Kan.	54,125	27,737	51.2		Cho. Und. Mut.	5,877	1,111	18.9						
Dwell. H. M., Neb.		11,757			Merc. Mut., R. I.	389	2,660	683.8		Pap. M. M., Mass.		1,481			Total, 1928	\$4,940,070	\$2,567,598	56.1	
Enterp. M., R. I.	1,514	6,050	399.6		Merc. Mut., Tex.	634	47	7.5		Pap. M. M., Mass.		1,481			*Tornado policies include hail damage.				
Evangel. M., S. D.	36,118	18,026	49.9		Merc. & M. M. O.	2,280	76	3.33		Penn. Mut., R. I.	8,070	1,807	22.3		(Note: Hail figures include with tornado in some cases.)				
Full Riv. Mf. M., Mass.		6,946			Merc. M., R. I.	1,508	4,912	325.7		Pa. Millers Mut.	2,629	72	2.7		The wind need not blow with hurricane or tornado intensity to make work storm insurance necessary. A straight blow occurring at any time of the year can break windows, blow trees down, houses and garages, unroof buildings, unsent cornices and cause many other kinds of losses.				
Farm. All. Kan.	151,295	51,272	33.8		Merc. M., S. D.	901	189	19.9		Perpetual M., Ill.	958	25	2.6						
Farm. F. In., Pa.	12,583	2,430	27.2		Merc. N. M., N. D.	4,340	1,156	27		Phila. Mfra. Mut.		2,479							
Farmers M. Hall.	3,724	1,355	35.7		Mercantile, Tex.	635	48	7.5		Prof. Mut., N. Y.	568	189	33.2						
Farm. M. R., Ill.	1,768				Merrim. M., Mass.	3,018				Protect. M., R. I.		2,769							
Farm. U. M., Ia.	74,950	9,696	12.9		Mich. Millers M.	134,804	13,052	9.7		Protective, Neb.	10,146	4,095	40.2						
Fid. Mut., Ind.	3,823	912	23.8		Mich. M., Windst.	426,450	155,388	36.4		Repub. M., Kan.	52,961	10,240	19.3						
Firemen's M., R. I.	1,848	13,986	756.8		Mich. Shoe Dirs.	4,150	125	.03		Retail Hdwe. M., Minn.	80,929	28,040	34.64						
Fitchb. M., Mass.	3,036	791	26		Millers Mut., Ill.	56,994	10,004	17.53		Ret. Lumb., Minn.	24,940	1,768	50.8						
Glen C. M., N. Y.	2,278	125	5.5		Millers Mut., Pa.	6,715	765	11.3		Ret. Mer. M., Ill.	6,519	151	2.7						
Gr. Dira., Ind.	92,611	29,719	32.29		Millers Mut., Tex.	23,836	10,700	45.2		Rep. Mer. M., Ia.	6,185	1,193	19.1						
Grocers Mut., O.	1,390	13	.9		Mill Own. M., Ia.	104,646	18,206	17.4		R. I. Mutual...	2,524	10,083	399.4						
Hamil. Co. M., N. Y.	3,967	2	.41		Minn. Farm Mut.	395,117	247,397	62.6		Rub. M. M., Mass.	610	2,324	380.9						
Haw. D. M., Wis.	93,495	30,365	32.48		Minn. Impl. Mut.	94,451	40,683	43.1		St. Paul M., Minn.	95,498	54,607	57.1						
Holyoke M., Mass.	80				Mut. Bell Air...	2,063	461	22.3		Security M., Minn.	17,159	5,539	32.2						
Hurst Home, Ky.	35,289	11,008	31.1		Mut. Coatsv. Pa.	16,567	6,919	41.7		Security M., N. Y.	255								
Ill. M. F. Und...	13,718	2,554	18.1		Mut. Fire, Ky.	5,778	488	8.4		S. Kan. Mutual.	34,017	26,630	78						
Imp. Di. M., N. D.	8,038	730	9		Mut. Fire, Chester					St. M. F., Tex.	3,029	1,511	49.9						
Ind. Lb. M., Ind.	52,009	21,643	41.5		Co., Pa.	16,566	6,919	41.7		South C., Mich.	65,174	159,967	245.4						
Ind. M. Cyclone...	213,678	127,632	59.7		Mut. Fire, Ind.	2,063	461	22.3											

Gives Selling Ideas

(CONTINUED FROM PAGE 18)

this basis, as we cover only when the mortgage company is involved.

For instance, if the loans are \$2,000, then the policy would be written for \$500,000. Assume a dwelling valued at \$20,000; the land is worth \$5,000, making the dwelling itself appraised at \$15,000. In event of a total loss to the dwelling the mortgage company would suffer to the extent of \$5,000, as the lot is worth \$5,000. The insurance company would be obliged to pay \$5,000. The coverage under this form is for dwellings and mercantiles only.

Mortgage insurance: The Florida storm taught many lessons. Among the heavy losers were the mortgage companies, as they held collateral security on the improved real estate, but in a great many cases no tornado or windstorm protection. For instance, a \$10,000 dwelling is built upon a \$2,000 lot. There is a sound commercial value of \$12,000. A loan of \$8,000 is made. The tornado comes along and takes away the improvements. The lot valued at \$2,000 for an \$8,000 loan is left, and there is a loss to the mortgage company of \$6,000. Mortgage tornado insurance is offered to banks, trust companies and loan companies, but not on farm property or manufacturing plants.

When the home is swept away, where will the family stay? Who pays the rent? Here is another opportunity for the wide-awake agent to offer to his clients the real coverage of the hour—rental value. Why not go all the way? He needs the protection and the companies want him to have it. The agent needs the added commission.

Tornado and windstorm insurance is abused by some agents. They take advantage of advertising their business and are writing "repair" policies at the tornado and windstorm rates.

Many Risks Are Wholly Uninsurable

Undesirable risks: These include any building in a dilapidated condition; the general run of cheap shore property; fair grounds and amusement parks; greenhouses; bridges; trestles; windmills; signboards, and churches with tall steeples. Brickyards, flour mills and grain elevators are to be written carefully. Shore property in most cases is not to be written at the usual rates within 100 miles of the shore, as it is subject to the frequency of high winds directly from the ocean. If written, considerably higher rates are charged. There are two rates for churches; one for churches with steeples, which is a fairly high rate, varying in different sections. The usual rate is 20 cents in the eastern sections, and 40 cents to 50 cents in the south and middle west. Churches without steeples take about half the rate, and the tower is measured as a structure rising 20 feet or more above the peak of the roof. Silos come in this class also when attached to the barn and rising higher than the barn itself. Buildings in course of construction are uninsurable unless all the windows and doors are in place and the roof on. The building must be entirely enclosed. Signboards on the tops of buildings are insurable for not to exceed 5 percent of the schedule, but can be written only in connection with the buildings. This applies to roof tanks and wooden water tanks. The usual rate is from 2 to 3 percent for this class.

Self insurance: The tornado in St. Louis has given us proof that it is unwise to carry self insurance, as the board of education endeavored to do there. The accumulated special fund was about \$75,000, and the loss to the schools in excess of \$1,000,000. The taxpayers will have to make up the difference.

When your client orders a windstorm policy, or orders the renewal of his windstorm policy, add the hail rider to it if it is on a home, a frame garage or an automobile. You will be pleasantly surprised by the number of times the combined policy will be accepted.

Combined Fire and Windstorm Contract Easy One to Sell

SOME agents who write large amounts of farm business report that it is becoming increasingly easier to sell windstorm insurance in combination with the fire cover. A few years ago the western farm department of one of the principal farm-writing companies began a campaign for combined fire and windstorm insurance among its agents. For some months the campaign developed little result, and then took a turn for the better. Since then—the company's insistence on combined business never has slackened—the amount of combined business has steadily increased.

To begin the campaign the farm managers of the company selected a few choice agents from among all their agents and asked them to make a special effort for combined business. All of the agents responded. In a short time small amounts of combined business began to come in. The agents were urged to try harder. They did, and the volume increased slightly. Then a few more agents were asked to make an effort. To stimulate them the farm managers told them the results of the effort made by the first group of agents. The plan worked; larger amounts of

fire-windstorm applications were submitted.

Then, after the first two groups of agents had learned how simple it is to write combined policies, the company's farm managers insisted that all the agents submit a certain percentage of combined business or suffer severance of their connection. The company did not do this with any idea that it would lose many agents. It knew that the business could be written in combination with fire business, and became "hardboiled" only for stimulation.

Its next insistence was that larger amounts of windstorm insurance to value be written, still in combination with the fire line. Again the agents responded, with the result that the company's windstorm premiums increased. The company did not let down in its insistence that the business be written in combination and in larger amounts to value. It has not let down yet, and some of its agents who seldom sold any windstorm insurance are writing large amounts to it now. They are grateful to the company for urging them to get out for the business, and whenever one of the company's assureds has a loss he is grateful to the agent who insisted that he cover against wind damage.

DEVELOPMENT OF HAIL INSURANCE RECOUNTED (CONTINUED FROM PAGE 4)

to determine the relative hazard existent in individual counties, and the experience has resulted in a material increase in rate in practically all areas in the states in which the greatest volume of business is written.

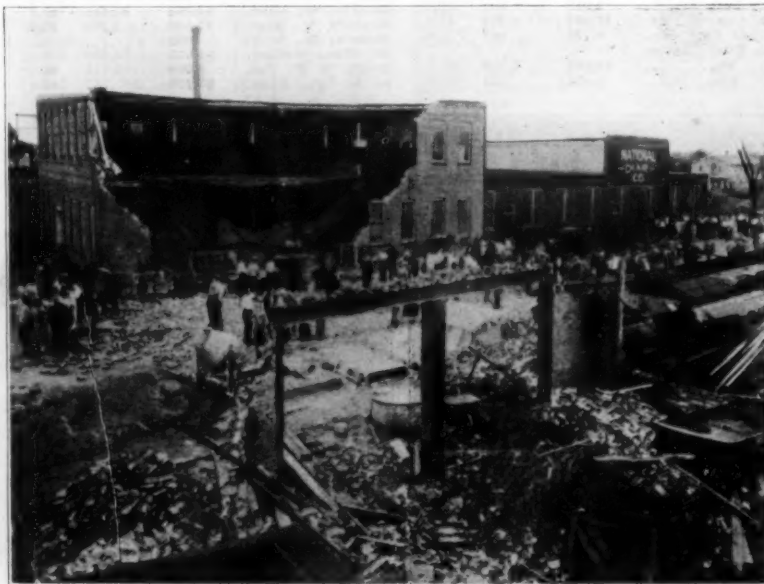
During the last four years the representatives of the principal hail-writing companies have been holding schools of instruction at the beginning of each season for the purpose of instructing adjusters as to uniform and correct methods of adjusting hail losses. Practically all hail underwriters believe that these schools have resulted in a material saving to the companies, and particularly during the 1927-1928 season. In fact, it is believed that the loss ratios in 1927-1928 would have been higher than the loss ratios in 1915-1916 if it had not been for these schools of instruction.

The United States Department of Agriculture estimates the gross market value of 1928 agricultural products at approximately \$12,000,000,000. Since

the average rate for hail insurance is 6 percent, this represents a potential premium income of \$720,000,000 a year. At present less than 2 percent of that income is protected by hail insurance. In fact in states which produce the greatest volume of hail insurance premiums, less than 50 percent of the crops are covered by insurance. Until the last few years the great volume of business has been produced in the Mississippi valley states, the insurance being written principally on small grain and corn crops. The business is growing in all agricultural sections of the United States, and in 1928 the premium volume was materially increased in the south, the east and the northwest. This indicates that if an attempt is made to produce hail insurance in states other than the Mississippi valley states, the business can be materially increased.

New York state suffered more than \$1,000,000 damage from a straight-line wind, not a "twister," in 1928.

If a cyclone strikes but one city block it can do more damage than can a cyclone striking an entire rural county.



Another view of the wrecked Factory B of the Rockford, Ill., Chair & Furniture Co. plant, smashed by the tornado of last Sept. 14.

International Newsreel

Adjustments Improving

(CONTINUED FROM PAGE 9)

of the company as well as the interests of his agency.

The dishonest agent, who has nothing in mind but to prevail on his company to persuade or compel the company to do anything, however unethical it may be or however inconsistent with the principles of good business, that he thinks will result in temporary personal gain, is one of the hazards of the business we want to eliminate by doing away with him entirely.

The honest but improperly trained agent is a hazard we want to eliminate by education. This kind of agent innocently causes grief and loss of money to our companies year after year. He also causes himself grief and loses business for his agency.

Many assureds in districts where hails are infrequent and where we are eager to get all the business we can, do not know that a claim must be reported by registered mail within 48 hours after loss occurs.

Instead of leaving all the blame resting on the shoulders of the local agent, I shall say that the field man who has agents in his charge is often just as much at fault as is the local agent. It is the duty of an agent to make sure that every farmer who buys a hail policy from him is correctly informed as to what he is buying and as to just what he may expect if hail falls upon his crops.

It behooves all in the business to look with suspicion on the agent who is prone to complaining about unfair adjustments and other "unfairnesses" and who is ready to fall on the neck of the next company representative he meets and promise him all of his hail business next season. There was a time when it was customary for the hail departments of the companies to seize on opportunities of this kind to increase their hail premium incomes. However, I think most of them have now learned their lesson, and when such opportunities present themselves the companies are more likely to back off long enough to make an investigation rather than receive the agent and his business with open arms.

BIG BUSINESS MEN ARE GOOD PROSPECTS (CONTINUED FROM PAGE 21)

full service and is failing in his duty to himself as a business man, an insurance man.

Every lender of money for construction purposes is a windstorm insurance prospect. The lender demands that the persons involved in a building project have adequate amounts of life insurance, liability and property damage insurance, fire insurance—in fact, all the major covers excepting windstorm. Why? Principally because the agents and brokers have failed to push the line. A building under construction, partly completed, is not stayed and braced and window enclosed as is a completed structure, and therefore is even more liable to windstorm damage than is a completed building. Building financing companies and mortgage houses are surely as good windstorm prospects as are the nation's farmers.

THE NATIONAL UNDERWRITER

Published Every Thursday by the NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. C. M. CARTWRIGHT, Managing Editor. PUBLICATION OFFICE, Insurance Exchange, CHICAGO.

Entered as Second-Class Matter, February 24, 1900, at Post Office at Chicago, Illinois, Under Act of March 3, 1879.

Subscription Price \$4.00 a year; in Canada \$5.00 a year; Single Copies 20 Cents.



Globe & Rutgers

FIRE INSURANCE COMPANY



111 William St., New York City

JANUARY 1st, 1929

ASSETS

Bonds and Mortgages.....	\$ 151,234.90
U. S. Liberty Bonds.....	505,000.00
Government, City, Railroad and other Bonds and Stocks.....	86,471,541.50
Cash in Banks and Office.....	3,471,419.30
Premiums in Course of Collection..	7,356,287.74
Interest Accrued	225,533.04
Reinsurance Recoverable on Paid Losses	9,628.48
	<hr/>
	\$98,190,644.96

LIABILITIES

Capital	\$ 7,000,000.00
Surplus	37,252,917.34
Reinsurance Reserve	24,332,695.62
Losses in Course of Adjustment....	10,300,032.00
Commission and other Items.....	7,800,000.00
Reserve for Taxes and Depreciation	11,505,000.00
	<hr/>
	\$98,190,644.96

Surplus to Policy Holders . . . \$44,252,917.34

Losses settled and paid since organization over \$242,000,000

Losses settled and paid 1928....\$17,030,337.70

ISSUES POLICIES AGAINST

Fire, Marine, Tornado, Earthquake, Flood, Hail, Explosion, Riot and Civil Commotion,
Sprinkler Leakage, Inland Marine Transportation, Parcel Post, Automobile, Aviation Insurance

Agents in Canada, Manila, Shanghai, London and Principal European Cities

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J. H. Mulvehill, Vice-Pres. and Secy. J. L. Hahn, Assistant Secretary

J. D. Lester, Vice-President

Scott Coleman, Assistant Secretary

Progress since Consolidation in 1899

	Assets	Reserves	Surplus
Dec. 31, 1899.....	\$ 529,282.59	\$ 28,832.54	\$ 2,028.94
Dec. 31, 1910.....	5,255,362.12	1,936,224.86	2,365,363.37
Dec. 31, 1920.....	42,765,374.55	16,593,764.16	11,361,311.89
Dec. 31, 1925.....	67,922,096.58	20,265,572.73	24,161,943.85
Dec. 31, 1927.....	80,193,738.67	21,794,727.64	29,514,599.03
Dec. 31, 1928.....	98,190,644.96	24,332,695.62	37,252,917.34

Industrial **HAIL** Facilities AND Service

BRANCH OFFICES

Oklahoma and Texas
415 Equity Bldg.,
Oklahoma City, Okla.

Kansas and Missouri
701 Jackson St.,
Topeka, Kansas

*Colorado, Wyoming and
New Mexico*
508 Patterson Bldg.,
Denver, Colo.

Nebraska
Brandeis Theatre Bldg.,
Omaha, Nebr.

*South Dakota and
Minnesota*
813 National Bldg.,
Minneapolis, Minn.

*North Dakota and
Montana*
507 1st Natl. Bank Bldg.,
Fargo, North Dakota

BLACK & ARMSTRONG
CANADIAN HAIL MANAGERS

**REGINA
WINNIPEG
CALGARY**

**Great American
Insurance Company
New York**

Cash Capital

\$16,000,000

IOWA ILLINOIS OHIO STATES OF INDIANA MICHIGAN WISCONSIN

REPORT TO

WESTERN DEPARTMENT

310 S. Michigan Ave., Straus Bldg. - - Chicago, Illinois

JOHN PETERSON, Mgr. Hail Dept., C. R. STREET, Vice-President GEORGE B. SEDGWICK, Asst. Secy.
T. G. DAHL, Assistant Mgr.

ADDRESS ANY OF THE HAIL DEPARTMENT OFFICES OR CHICAGO
FOR COMPLETE AGENCY INFORMATION